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ABSTRACT

This conference report accompanying H.R. 3033 includes the Job Training Reform Amendments of 1992. This amendment to the Job Training Partnership Act improves the delivery of services to hard-to-serve youth and adults. There are seven sections in this report: (1) Job Training Partnership Requirements--general provisions, service delivery system, additional state responsibility, program requirements for service delivery areas, and federal and fiscal administrative provisions; (2) training services for the disadvantaged; (3) employment and training assistance for dislocated workers; (4) federally administered programs; (5) Jobs for Employable Dependent Individuals Incentive Bonus Program; (6) state human resource investment council; and (7) miscellaneous provisions. (NLA)

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102D CONGRESS
2d Session

HOUSE OF REPRESENTATIVES

REPORT
102-811

ED 348551

JOB TRAINING REFORM AMENDMENTS OF 1992

AUGUST 6, 1992.—Ordered to be printed

Mr. FORD of Michigan, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H.R. 3033]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3033), to amend the Job Training Partnership Act to improve the delivery of services to hard-to-serve youth and adults, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Job Training Reform Amendments of 1992".

SEC. 2. TABLE OF CONTENTS.

The table of contents is as follows:

Sec. 1. Short title.
Sec. 2. Table of contents.

TITLE I—JOB TRAINING PARTNERSHIP REQUIREMENTS

Subtitle A—General Provisions

Sec. 101. Declaration of policy and statement of purpose.
Sec. 102. Authorization of appropriations.
Sec. 103. Definitions.

Subtitle B—Service Delivery System

Sec. 111. Establishment of service delivery areas.
Sec. 112. Establishment of private industry council.
Sec. 113. Job training plan.
Sec. 114. Review and approval of plan.

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Sec. 115. Performance standards.
Sec. 116. Selection of service providers.
Sec. 117. Limitation on certain costs.
Sec. 118. Recapture and reallotment of unobligated funds under title II.

Subtitle C—Additional State Responsibilities

Sec. 121. Governor's coordination and special services plan.
Sec. 122. State education coordination and grants.
Sec. 123. Identification of additional imposed requirements.
Sec. 124. State labor market information programs.

Subtitle D—Program Requirements for Service Delivery System

Sec. 131. General program requirements.
Sec. 132. Benefits.
Sec. 133. Labor standards.
Sec. 134. Grievance procedure.

Subtitle E—Federal and Fiscal Administrative Provisions

Sec. 141. Prompt allocation of funds.
Sec. 142. Fiscal controls; sanctions.
Sec. 143. Reports, recordkeeping, and investigations.
Sec. 144. Nondiscrimination.
Sec. 145. Utilization of services and facilities.

TITLE II—TRAINING SERVICES FOR THE DISADVANTAGED

Sec. 201. Adult training program.
Sec. 202. Adult training program allotment and allocation.
Sec. 203. Adult training program eligibility and services.
Sec. 204. Summer youth employment and training program.
Sec. 205. Summer youth program transfer of funds.
Sec. 206. Youth training program.
Sec. 207. Youth training program allotment and allocation.
Sec. 208. Youth training program eligibility and services.

TITLE III—EMPLOYMENT AND TRAINING ASSISTANCE FOR DISLOCATED WORKERS

Sec. 301. State agency approval.
Sec. 302. Limitations on uses of funds.
Sec. 303. Demonstration programs.

TITLE IV—FEDERALLY ADMINISTERED PROGRAMS

Sec. 401. Native American and migrant programs.
Sec. 402. Job Corps.
Sec. 403. National activities.
Sec. 404. Uniform requirements.
Sec. 405. Labor market information.
Sec. 406. Establishment of the Youth Fair Chance program.
Sec. 407. Establishment of the microenterprise grants program.
Sec. 408. Establishment of the disaster relief program.

TITLE V—JOBS FOR EMPLOYABLE DEPENDENT INDIVIDUALS INCENTIVE BONUS PROGRAM

Sec. 501. Jobs for employable dependent individuals.

TITLE VI—STATE HUMAN RESOURCE INVESTMENT COUNCIL

Sec. 601. State human resource investment council.

TITLE VII—MISCELLANEOUS PROVISIONS

Sec. 701. Effective date and transition provisions.
Sec. 702. Technical and conforming amendments.

TITLE I—JOB TRAINING PARTNERSHIP REQUIREMENTS

Subtitle A—General Provisions

SEC. 101. DECLARATION OF POLICY AND STATEMENT OF PURPOSE.

(a) DECLARATION OF POLICY.—In recognition of the training needs of low-income adults and youth, the Congress declares it to be the policy of the United States to—

(1) provide financial assistance to States and local service delivery areas to meet the training needs of such low-income adults and youth, and to assist such individuals in obtaining unsubsidized employment;

(2) increase the funds available for programs under title II of the Job Training Partnership Act (29 U.S.C. 1601 et seq.) by not less than 10 percent of the baseline each fiscal year to provide for growth in the percentage of eligible adults and youth served above the 5 percent of the eligible population that is currently served; and

(3) encourage the provision of longer, more comprehensive, education, training, and employment services to the eligible population, which also requires increased funding in order to maintain current service levels.

(b) STATEMENT OF PURPOSE.—Section 2 of the Job Training Partnership Act (29 U.S.C. 1501) (hereafter in this Act referred to as "the Act") is amended to read as follows:

"STATEMENT OF PURPOSE

"SEC. 2. It is the purpose of this Act to establish programs to prepare youth and adults facing serious barriers to employment for participation in the labor force by providing job training and other services that will result in increased employment and earnings, increased educational and occupational skills, and decreased welfare dependency, thereby improving the quality of the work force and enhancing the productivity and competitiveness of the Nation."

SEC. 102. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—Section 3 of the Act (29 U.S.C. 1502) is amended—

(1) by striking subsections (a) and (b) and inserting the following:

"(a)(1) There are authorized to be appropriated to carry out parts A and C of title II such sums as may be necessary for fiscal year 1993 and for each succeeding fiscal year. Of the sums appropriated to carry out parts A and C of title II for each such fiscal year, an amount not less than 40 percent of such sums shall be made available to carry out part A of such title and an amount not less than 40 percent of such sums shall be made available to carry out part C of such title.

"(2) There are authorized to be appropriated to carry out part B of title II such sums as may be necessary for fiscal year 1993 and for each succeeding fiscal year.";

(2) by redesignating subsection (c) as subsection (b);

(3) by inserting after such subsection (b) the following:

"(c)(1) There are authorized to be appropriated to carry out parts A, C, D, E, F, and G of title IV for fiscal year 1993 and each succeeding fiscal year an amount equal to not more than 7 percent of the total amount appropriated to carry out this Act for each such fiscal year.

"(2) From the amount appropriated under paragraph (1) for any fiscal year, the Secretary—

"(A) shall first reserve—

"(i) an amount of not less than 3.3 percent of the amount available for parts A and C of title II for such fiscal year to carry out section 401; and

"(ii) an amount of not less than 3.2 percent of the amount available for parts A and C of title II for such fiscal year to carry out section 402; and

"(B) after making such reservations, shall reserve—

"(i) an amount equal to 7 percent of the amount appropriated under paragraph (1) to carry out part C of title IV;

"(ii) $15,000,000 to carry out section 453, of which—

"(I) not less than 20 percent shall be used to carry out section 453(b);

"(II) not less than 20 percent shall be used to carry out section 453(c); and

"(III) $1,000,000 shall be used to carry out section 453(d);

"(iii) $6,000,000 to carry out subsections (e) and (f) of section 462; and

"(iv) $2,000,000 to carry out part F of title IV.

"(3) There are authorized to be appropriated to carry out part H of title IV $100,000,000 for fiscal year 1993 and such sums as may be necessary for each of the fiscal years 1994 through 1997.

"(4) There are authorized to be appropriated to carry out part I of title IV $5,000,000 for each of the fiscal years 1993 through 1997.

"(5) There are authorized to be appropriated to carry out part J of title IV, $15,000,000 for fiscal year 1993 and such sums as may be necessary for each succeeding fiscal year."; and

(4) in subsection (e)—

(A) by striking "(e)(1) Subject to paragraph (2), there" and inserting "(e) There";

(B) by striking "1994" and inserting "1996"; and

(C) by striking paragraphs (2) and (3).

(b) CONFORMING AMENDMENTS.—Subsections (a) and (e) of section 302 of the Act (29 U.S.C. 1652 (a) and (e)) and section 326(h) of the Act (1662e(h)) are amended by striking "3(c)" and inserting "3(b)".

SEC. 103. DEFINITIONS.

(a) IN GENERAL.—Section 4 of the Act (29 U.S.C. 1503) is amended—

(1) in paragraph (3), by striking "a program under part A" and inserting "programs under parts A and C"; and

(2) in paragraph (5)—

(A) by inserting "the Association of Farmworker Opportunity Programs, the Center for Employment Training, liter-

acy organizations, agencies or organizations serving older individuals, organizations that provide service opportunities, youth corps programs," after "Jobs for Youth,"; and

(B) by striking "(including the National Urban Indian Council)";

(3) in paragraph (8)—

(A) in subparagraph (B)(i), by striking "the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget" and inserting "the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2))";

(B) in subparagraph (C), by inserting "(or has been determined within the 6-month period prior to the application for the program involved to be eligible to receive)" after "is receiving";

(C) in subparagraph (D), by inserting "subsections (a) and (c) of" after "under"; and

(D) in subparagraph (F), by striking "adult handicapped individual" and inserting "individual with a disability";

(4) in paragraph (10)—

(A) by striking "(10)" and inserting "(10)(A)";

(B) by striking "handicapped individual" and inserting "individual with a disability"; and

(C) by adding at the end the following:

"(B) The term 'individuals with disabilities' means more than one individual with a disability.";

(5) in paragraph (22), by striking "and the Trust Territory of the Pacific Islands" and inserting "the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau";

(6) in paragraph (24)—

(A) by inserting "financial assistance (except as a post-termination service), drug and alcohol abuse counseling and referral, individual and family counseling," after "health care,";

(B) by striking "materials for the handicapped," and inserting "materials for individuals with disabilities, job coaches,"; and

(C) by inserting "and dependent care" after "child care";

(7) by amending paragraph (29) to read as follows:

"(29) The term 'displaced homemaker' means an individual who has been providing unpaid services to family members in the home and who—

"(A) has been dependent either—

"(i) on public assistance and whose youngest child is within 2 years of losing eligibility under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); or

"(ii) on the income of another family member but is no longer supported by that income; and

"(B) is unemployed or underemployed and is experiencing difficulty in obtaining or upgrading employment."; and

(8) by adding after paragraph (30) the following new paragraphs:

"(31) The term 'basic skills deficient' means, with respect to an individual, that the individual has English reading or computing skills at or below the 8th grade level on a generally accepted standardized test or a comparable score on a criterion-referenced test.

"(32) The term 'case management' means the provision of a client-centered approach in the delivery of services, designed to—

"(A) prepare and coordinate comprehensive employment plans, such as service strategies, for participants to ensure access to the necessary training and supportive services, using, where feasible, computer-based technologies; and

"(B) provide job and career counseling during program participation and after job placement.

"(33) The term 'citizenship skills' means skills and qualities, such as teamwork, problem-solving ability, self-esteem, initiative, leadership, commitment to life-long learning, and an ethic of civic responsibility, that are characteristic of productive workers and good citizens.

"(34) The term 'family' means two or more persons related by blood, marriage, or decree of court, who are living in a single residence, and are included in one or more of the following categories:

"(A) A husband, wife, and dependent children.

"(B) A parent or guardian and dependent children.

"(C) A husband and wife.

"(35) The term 'hard-to-serve individual' means an individual who is included in one or more of the categories described in section 203(b) or subsection (b) or (d) of section 263.

"(36) The term 'JOBS' means the Job Opportunities and Basic Skills Training Program authorized under part F of title IV of the Social Security Act (42 U.S.C. 681 et seq.).

"(37) The term 'participant' means an individual who has been determined to be eligible to participate in and who is receiving services (except post-termination services authorized under sections 204(c)(4) and 264(d)(5) and followup services authorized under section 253(d)) under a program authorized by this Act. Participation shall be deemed to commence on the first day, following determination of eligibility, on which the participant began receiving subsidized employment, training, or other services provided under this Act.

"(38) The term 'school dropout' means an individual who is no longer attending any school and who has not received a secondary school diploma or a certificate from a program of equivalency for such a diploma.

"(39) The term 'termination' means the separation of a participant who is no longer receiving services (except post-termination services authorized under sections 204(c)(4) and 264(d)(5) and followup services authorized under section 253(d)) under a program authorized by this Act.

"(40) The term 'youth corps program' means a program, such as a conservation corps or youth service program, that offers productive work with visible community benefits in a natural resource or human service setting and that gives participants a

mix of work experience, basic and life skills, education, training, and supportive services.".

(b) CONFORMING AMENDMENTS.—The Act (29 U.S.C. 1501 et seq.) is amended—

(1) in section 4 (29 U.S.C. 1503)—

(A) in paragraph (5), by striking "the handicapped" and inserting "individuals with disabilities";

(B) in paragraph (8)(F), by striking "adult handicapped individual" and inserting "individual with a disability"; and

(C) in paragraph (28), by striking "section 521(31)" and inserting "section 521(41)";

(2) in section 167(a)(2) (29 U.S.C. 1577(a)(2)), by striking "handicap" and inserting "disability";

(3) in the second section 172(b) (as added by Public Law 100-628) (29 U.S.C. 1583(b)), by striking "handicapped individuals" and inserting "individuals with disabilities"; and

(4) in section 423(1) (29 U.S.C. 1693(1)), by striking "handicapped individual" and inserting "individual with a disability".

Subtitle B—Service Delivery System

SEC. 111. ESTABLISHMENT OF SERVICE DELIVERY AREAS.

Section 101(c)(1) of the Act (29 U.S.C. 1511(c)(1)) is amended by inserting before the period at the end of the first sentence the following: ", except as provided for in sections 106(j)(4)(B) and 164(b)(1)(B)".

SEC. 112. ESTABLISHMENT OF PRIVATE INDUSTRY COUNCIL.

(a) COMPOSITION.—

(1) MEMBERSHIP.—Section 102(a) of the Act (29 U.S.C. 1512(a)(2)) is amended—

(A) by striking "and" at the end of paragraph (1); and

(B) by striking paragraph (2) and inserting the following:

"(2) representatives of organized labor and community-based organizations, who shall constitute not less than 15 percent of the membership of the council; and

"(3) representatives of each of the following:

"(A) Educational agencies (which agencies shall be representative of all educational agencies in the service delivery area).

"(B) Vocational rehabilitation agencies.

"(C) Public assistance agencies.

"(D) Economic development agencies.

"(E) The public employment service.

(2) NOMINATION.—Section 102(c)(2) of the Act (29 U.S.C. 1512(c)(2)) is amended to read as follows:

"(2) The education representatives on the council shall be selected from among individuals nominated by regional or local educational agencies, vocational education institutions, institutions of higher education (including entities offering adult education) or general organizations of such institutions, within the service delivery area.".

(3) RECOMMENDATIONS.—Section 102(c)(3) of the Act (29 U.S.C. 1512(c)(3)) is amended to read as follows:

"(3) The labor representatives on the council shall be selected from individuals recommended by recognized State and local labor federations. If the State or local labor federation fails to nominate a sufficient number of individuals to meet the labor representation requirements of subsection (a)(2), individual workers may be included on the council to complete the labor representation.".

(4) ADDITIONAL REPRESENTATIVES.—Section 102(c) of the Act (20 U.S.C. 1512(c)) is amended by adding at the end the following new paragraph:

"(4) The remaining members of the council shall be selected from individuals recommended by interested organizations.".

SEC. 113. JOB TRAINING PLAN.

(a) RESTRICTION OF PLANS TO TITLE II PROGRAMS.—Section 104(a) of the Act (29 U.S.C. 1514(a)) is amended by inserting "under title II" after "appropriated".

(b) CONTENTS OF JOB TRAINING PLANS.—Section 104(b) of the Act (29 U.S.C. 1514(b)) is amended to read as follows:

"(b) Each job training plan for the programs conducted under title II shall contain—

"(1) an identification of the entity that will administer the program and be the grant recipient of funds from the State;

"(2) if there is more than one service delivery area in a single labor market area, provisions for coordinating particular aspects of the service delivery area program with other programs and service providers in the labor market area, including provisions for—

"(A) assessing needs and problems in the labor market that form the basis for program planning;

"(B) ensuring access by program participants in each service delivery area to skills training and employment opportunities throughout the entire labor market;

"(C) coordinating or jointly implementing job development, placement, and other employer outreach activities; and

"(D) entering into agreements and contracts, established pursuant to section 141(e)(2), between service delivery areas to pay or share the cost of services;

"(3) a description of methods of complying with the coordination criteria contained in the Governor's coordination and special services plan;

"(4) a description of linkages established with appropriate agencies, pursuant to sections 205 and 265, designed to enhance the provision of services and avoid duplication, including—

"(A) agreements with appropriate educational agencies;

"(B) arrangements with other education, training, and employment programs authorized by Federal law;

"(C) if appropriate, joint programs in which activities supported with assistance under this Act are coordinated with activities (such as service opportunities and youth corps programs) supported with assistance made available

under the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.); and

"(D) efforts to ensure the effective delivery of services to participants in coordination with local welfare agencies and other local agencies, community-based organizations, volunteer groups, business and labor organizations, and other training, education, employment, and social service programs;

"(5) goals and objectives for the programs, including—

"(A) a description of the manner in which the program will contribute to the economic self-sufficiency of participants, and the productivity of the local area and the Nation; and

"(B) performance standards established in accordance with standards prescribed under section 106;

"(6) procedures for identifying and selecting participants, including—

"(A) goals for the training and placement of hard-to-serve individuals, and a description of efforts to be undertaken to accomplish such goals;

"(B) outreach efforts to recruit and expand awareness of training and placement opportunities for such individuals; and

"(C) types of services to be provided to address the special needs of such individuals;

"(7)(A) goals for—

"(i) the training of women in nontraditional employment; and

"(ii) the training-related placement of women in nontraditional employment and apprenticeships; and

"(B) a description of efforts to be undertaken to accomplish the goals described in subparagraph (A), including efforts to increase awareness of such training and placement opportunities;

"(8) adult and youth program budgets for 2 program years and any proposed expenditures for the succeeding 2 program years;

"(9) a description of—

"(A) the assessment process that will identify participant skill levels;

"(B) the process for providing information and referrals for applicants and participants relating to appropriate programs and service providers;

"(C) the services to be provided, including the means for involving labor organizations and community-based organizations in the provision of services, the estimated duration of service, and the estimated training cost per participant;

"(D) the competency levels to be achieved by participants as a result of program participation; and

"(E) the procedures for evaluating the progress of participants in achieving competencies;

"(10) a description of the procedures and methods of carrying out title V, where applicable, relating to incentive bonus payments for the placement of individuals eligible under such title;

"(11) procedures, consistent with sections 107 and 164, for selecting service providers, which procedures shall take into account—

"(A) past performance of the providers regarding—

"(i) job training, basic skills training, or related activities;

"(ii) fiscal accountability; and

"(iii) ability to meet performance standards; and

"(B) the ability of the providers to provide services that can lead to achievement of competency standards for participants with identified deficiencies;

"(12) fiscal control (including procurement, monitoring, and management information system requirements), accounting, audit, and debt collection procedures, consistent with section 164, to assure the proper disbursal of, and accounting for, funds received under title II; and

"(13) procedures for the preparation and submission of an annual report to the Governor, which report shall include—

"(A) a description of activities conducted during the program year;

"(B) characteristics of participants;

"(C) information on the extent to which applicable performance standards were met;

"(D) information on the extent to which the service delivery area has met the goals of the area for the training and training-related placement of women in nontraditional employment and apprenticeships; and

"(E) a statistical breakdown of women trained and placed in nontraditional occupations, including information regarding—

"(i) the type of training received, by occupation;

"(ii) whether the participant was placed in a job or apprenticeship, and, if so, the occupation and wage at placement;

"(iii) the age of the participant;

"(iv) the race of the participant; and

"(v) retention of the participant in nontraditional employment.".

SEC. 114. REVIEW AND APPROVAL OF PLAN.

Section 105 of the Act (29 U.S.C. 1515) is amended—

(1) in subsection (a)(1)(B)(ii), by inserting "community-based organizations and" after "appropriate"; and

(2) in subsection (b)(1)(E), by striking "section 121(b)", and inserting "sections 121(b), 205, and 265".

SEC. 115. PERFORMANCE STANDARDS.

(a) IN GENERAL.—Section 106 of the Act (29 U.S.C. 1516) is amended to read as follows:

"PERFORMANCE STANDARDS

"SEC. 106. (a) FINDINGS.—The Congress recognizes that job training is an investment in human capital and not an expense. In order to determine whether that investment has been productive, the Congress finds that—

"(1) it is essential that criteria for measuring the return on this investment be developed; and

"(2) the basic return on the investment is to be measured by long-term economic self-sufficiency, increased employment and earnings, reductions in welfare dependency, and increased educational attainment and occupational skills.

"(b) TITLE II PERFORMANCE STANDARDS.—

"(1) GENERAL OBJECTIVE.—In prescribing performance standards for programs under parts A and C of title II, the Secretary shall ensure that States and service delivery areas will make efforts to increase services and positive outcomes for hard-to-serve individuals.

"(2) ACHIEVEMENT OF BASIC MEASURES.—In order to determine whether the basic measures described in subsection (a) are achieved for programs under parts A and C of title II, the Secretary, in consultation with the Secretary of Education and the Secretary of Health and Human Services, shall prescribe performance standards.

"(3) FACTORS FOR ADULT STANDARDS.—The Secretary shall base the performance standards for adult programs under part A of title II on appropriate factors, which may include—

"(A) placement in unsubsidized employment;

"(B) retention for not less than 6 months in unsubsidized employment;

"(C) an increase in earnings, including hourly wages;

"(D) a reduction in welfare dependency; and

"(E) acquisition of skills, including basic skills, required to promote continued employability in the local labor market (including attainment of the competency levels described in paragraph (5)), or acquisition of a high school diploma or the equivalent of the diploma, if the acquisition of such skills or diploma is in addition to obtaining one or more of the outcomes described in subparagraphs (A) through (D).

"(4) FACTORS FOR YOUTH STANDARDS.—

"(A) IN GENERAL.—The Secretary shall base the performance standards for youth programs under part C of title II on appropriate factors described in paragraph (3), and on factors including—

"(i) attainment of employment competencies (including attainment of the competency levels described in paragraph (5));

"(ii) dropout prevention and recovery;

"(iii) secondary and postsecondary school completion or the equivalent of such completion; and

"(iv) enrollment in other training programs, apprenticeships, or postsecondary education, or enlistment in the Armed Forces.

"(B) VARIATIONS.—The Secretary may prescribe variations in the standards described in subparagraph (A) to reflect the differences between in-school and out-of-school programs.

"(5) COMPETENCY LEVELS.—The private industry councils, in consultation with appropriate educational agencies, and, where

appropriate, the private sector, labor organizations, and community-based organizations, shall establish youth and adult competency levels, based on such factors as entry level skills and other hiring requirements.

"(6) REQUIREMENTS.—The performance standards described in paragraphs (3) and (4) shall include provisions governing—

"(A) the base period prior to program participation that will be used for measurement of the factors in such paragraphs, as appropriate;

"(B) a representative period after termination from the program that is a reasonable indicator of postprogram employment, earnings, and cash welfare payment reductions; and

"(C) cost-effective methods for obtaining such data as are necessary to carry out this section and section 452(d) which, notwithstanding any other provision of law, may include access to earnings records, State employment security records, records collected under the Federal Insurance Contributions Act (chapter 21 of the Internal Revenue Code of 1986), State aid to families with dependent children records, statistical sampling techniques, and similar records or measures, with appropriate safeguards to protect the confidentiality of the information obtained.

"(7) INCENTIVE GRANTS.—From funds available under section 202(c)(1)(B), and under section 262(c)(1)(B), for providing incentive grants under this paragraph, each Governor shall award incentive grants for programs under parts A and C of title II, other than programs under section 204(d), to service delivery areas that—

"(A) exceed the performance standards established by the Secretary under this subsection (except for the standards established under paragraph (8)) with respect to services to all participants;

"(B) exceed the performance standards established by the Secretary under this subsection (except for the standards established under paragraph (8)) with respect to services to populations of hard-to-serve individuals;

"(C) serve more than the minimum percentage of out-of-school youth required by section 263(f);

"(D) place participants in employment that—

"(i) provides post-program earnings exceeding the applicable performance criteria; and

"(ii) includes employer-assisted employment benefits, including health benefits, consistent with the requirements of section 143(a)(4) relating to subsidized employment; and

"(E) exceed the performance standards established by the Governor under subsection (e) for programs under title II, except that not more than 25 percent of the incentive grants shall be awarded on performance standards established under subsection (e).

"(8) PROGRAM EXPENDITURES.—The Secretary shall prescribe performance standards relating gross program expenditures to various performance measures under this subsection, excluding

any cost per participant measure. The Governors shall not take performance standards prescribed under this paragraph into consideration in awarding incentive grants under paragraph (7).

"(c) TITLE III PERFORMANCE STANDARDS.—

"(1) IN GENERAL.—The Secretary shall prescribe performance standards for programs under title III based on placement and retention in unsubsidized employment.

"(2) NEEDS-RELATED PAYMENTS.—In prescribing performance standards under paragraph (1), the Secretary shall make appropriate allowance for the difference in cost resulting from serving workers receiving needs-related payments under section 314(e).

"(d) STATE VARIATION OF PERFORMANCE STANDARDS.—

"(1) AUTHORITY OF GOVERNOR.—Each Governor shall prescribe, and report in the Governor's coordination and special services plan, within parameters established by the Secretary, variations in the standards issued under subsections (b) and (c) based upon—

"(A) specific economic, geographic, and demographic factors in the State and in service delivery areas and substate areas within the State;

"(B) the characteristics of the population to be served;

"(C) the demonstrated difficulties in serving the population; and

"(D) the type of services to be provided.

"(2) RESPONSIBILITIES OF SECRETARY.—The Secretary shall—

"(A) provide information and technical assistance on performance standards adjustments;

"(B) collect data that identifies hard-to-serve individuals;

"(C) provide guidance on setting performance standards at the service provider level that encourages increased service to such individuals; and

"(D) review performance standards to ensure that such standards provide maximum incentive in serving such individuals.

"(e) ADDITIONAL STATE STANDARDS PERMITTED.—The Governor may prescribe performance standards for programs under title II and title III in addition to those standards established by the Secretary under subsections (b) and (c). Such additional standards may include criteria relating to establishment of effective linkages with other programs to avoid duplication and enhance the delivery of services, the provision of high quality services, and successful service to hard-to-serve individuals. The additional performance standards established for title II shall be reported in the Governor's coordination and special services plan.

"(f) TITLE IV STANDARDS.—The Secretary shall prescribe performance standards for programs under parts A and B of title IV.

"(g) ADJUSTMENT FOR SPECIAL POPULATIONS.—The Secretary shall prescribe a system for variations in performance standards for special populations to be served, including Native Americans, migrant and seasonal farmworkers, disabled and Vietnam era veterans, including veterans who served in the Indochina Theater between August 5, 1964 and May 7, 1975, older individuals, including those

served under section 204(d), and offenders, taking into account their special circumstances.

"(h) MODIFICATIONS.—

"(1) IN GENERAL.—The Secretary may modify the performance standards under this section not more often than once every 2 program years. Such modifications shall not be retroactive.

"(2) JOB CORPS.—Notwithstanding paragraph (1), the Secretary may modify standards relating to programs under part B of title IV each program year.

"(i) FUNCTIONS OF NCEP.—The National Commission for Employment Policy shall—

"(1) advise the Secretary in the development of performance standards under this section for measuring results of participation in job training and in the development of parameters for variations of such standards referred to in subsection (d);

"(2) evaluate the usefulness of such standards as measures of desired performance; and

"(3) evaluate the impact of such standards (intended or otherwise) on the choice of who is served, what services are provided, and the cost of such services in service delivery areas.

"(j) FAILURE TO MEET STANDARDS.—

"(1) UNIFORM CRITERIA.—The Secretary shall establish uniform criteria for determining whether—

"(A) a service delivery area fails to meet performance standards under this section; and

"(B) the circumstances under which remedial action authorized under this subsection shall be taken.

"(2) TECHNICAL ASSISTANCE.—Each Governor shall provide technical assistance to service delivery areas failing to meet performance standards under the uniform criteria established under paragraph (1)(A).

"(3) PROCESS FOR CORRECTION.—Not later than 90 days after the end of each program year, each Governor shall report to the Secretary the final performance standards and performance for each service delivery area within the State, along with the plans of the Governor for providing the technical assistance required under paragraph (2).

"(4) REORGANIZATION PLAN.—

"(A) PLAN REQUIRED FOR CONTINUED FAILURE.—If a service delivery area continues to fail to meet such performance standards for 2 consecutive program years, the Governor shall notify the Secretary and the service delivery area of the continued failure, and shall develop and impose a reorganization plan.

"(B) ELEMENTS.—Such plan may restructure the private industry council, prohibit the use of designated service providers, merge the service delivery area into one or more other existing service delivery areas, or make other changes as the Governor determines to be necessary to improve performance, including the selection of an alternative administrative entity to administer the program for the service delivery area.

"(C) ALTERNATIVE ADMINISTRATIVE ENTITY SELECTION.—The alternative administrative entity described in subpara-

graph (B) may be a newly formed private industry council or any agency jointly selected by the Governor and the chief elected official of the largest unit of general local government in the service delivery area or substate area.

"(5) SECRETARIAL ACTION.—

"(A) PLAN.—If the Governor has not imposed a reorganization plan as required by paragraph (4) within 90 days of the end of the second program year in which a service delivery area has failed to meet its performance standards, the Secretary shall develop and impose such a plan.

"(B) RECAPTURE OR WITHHOLDING.—The Secretary shall recapture or withhold an amount not to exceed one-fifth of the State administration set-aside allocated under section 202(c)(1)(A) and under section 262(c)(1)(A), for the purposes of providing technical assistance under a reorganization plan imposed pursuant to subparagraph (A).

"(6) APPEAL BY SERVICE DELIVERY AREA.—

"(A) TIMING.—A service delivery area that is the subject of a reorganization plan under paragraph (4) may, within 30 days after receiving notice thereof, appeal to the Secretary to rescind or revise such plan.

"(B) RECAPTURE OR WITHHOLDING.—

"(i) DETERMINATION.—If the Secretary determines, upon appeal under subparagraph (A), that the Governor has not provided appropriate technical assistance as required under paragraph (2), the Secretary shall recapture or withhold an amount not to exceed one-fifth of the State administration set-aside allotted under section 202(c)(1)(A) and under section 262(c)(1)(A). The Secretary shall use funds recaptured or withheld under this subparagraph to provide appropriate technical assistance.

"(ii) BASIS.—If the Secretary approved the technical assistance plan provided by the Governor under paragraph (2), a determination under this subparagraph shall only be based on failure to effectively implement such plan and shall not be based on the plan itself.

"(7) APPEAL BY GOVERNOR.—A Governor of a State that is subject to recapture or withholding under paragraph (5) or (6)(B) may, within 30 days of receiving notice thereof, appeal such withholding to the Secretary.

"(k) CLARIFICATION OR REFERENCE.—For the purposes of this section, the term 'employment' means employment for 20 or more hours per week.".

(b) CONFORMING AMENDMENT.—Sections 311(a), 311(b)(8), and 322(a)(4) (29 U.S.C. 1661(a), 1661(b)(8), and 1662a(a)(4)) are each amended by striking "106(g)" and inserting "106(c)".

SEC. 116. SELECTION OF SERVICE PROVIDERS.

(a) SELECTION GUIDELINES.—Section 107(a) of the Act (29 U.S.C. 1517(a)) is amended—

(1) by inserting ", (in accordance with guidelines established by the Secretary)" in the first sentence after "demonstrated performance"; and

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(2) by adding after the 1st sentence the following: "In addition, consideration shall be given to demonstrated performance in making available appropriate supportive services, including child care.".

(b) ADDITIONAL REQUIREMENTS FOR SELECTION.—Section 107 of the Act (29 U.S.C. 1517) is amended by adding at the end the following new subsection:

"(e) The selection of service providers shall be made on a competitive basis to the extent practicable, and shall include—

"(1) a determination of the ability of the service provider to meet program design specifications established by the administrative entity that take into account the purposes of the Act and the goals established in the Governor's coordination and special services plan; and

"(2) documentation of compliance with procurement standards established by the Governor under section 164, including the reasons for selection.".

SEC. 117. LIMITATION ON CERTAIN COSTS.

(a) APPLICATION OF COST LIMITATIONS.—Section 108(a) of the Act (29 U.S.C. 1518(a)) is amended to read as follows:

"(a) Except as provided in subparagraph (A) or (B) of section 141(d)(3), funds expended under this Act shall be charged to the appropriate cost categories.".

(b) COST CATEGORIES AND LIMITATIONS.—Section 108(b) of the Act (29 U.S.C. 1518(b)) is amended to read as follows:

"(b)(1) The cost limitations contained in this subsection shall apply separately to the funds allocated for programs under part A of title II, and to the funds allocated for programs under part C of such title.

"(2) Funds expended under parts A and C of title II shall be charged to one of the following categories:

"(A) Administration.

"(B) Training-related and supportive services.

"(C) Direct training services.

"(3) The Secretary shall, consistent with sections 204(b) and 264(c), define by regulation the cost categories specified in paragraph (2).

"(4) Of the funds allocated to a service delivery area for any program year under parts A or C of title II—

"(A) not more than 20 percent shall be expended for administration; and

"(B) not less than 50 percent shall be expended for direct training services.

"(5) Each service delivery area shall ensure that for all services provided to participants through contracts, grants, or other agreements with a service provider, such contract, grant, or agreement shall include appropriate amounts necessary for administration and supportive services.

"(6) For purposes of paragraph (4), the term 'allocated' means allocated for a program year, as adjusted for reallocations and reallotments under section 109 and for transfers of funds under sections 206, 256, and 266.".

(c) REFERENCE TO LIMITATIONS.—Section 108(c) of the Act (29 U.S.C. 1518(c)) is amended to read as follows:

"(c) Funds available under title III shall be expended in accordance with the limitations specified in section 315.".

SEC. 118. RECAPTURE AND REALLOTMENT OF UNOBLIGATED FUNDS UNDER TITLE II.

Part A of title I of the Act (29 U.S.C. 1511 et seq.) is amended by adding at the end the following new section:

"RECAPTURE AND REALLOTMENT OF UNOBLIGATED FUNDS

"SEC. 109. (a) WITHIN STATE REALLOCATIONS.—

"(1) IN GENERAL.—For program years beginning on or after July 1, 1993, the Governor shall, in accordance with the requirements of this subsection, reallocate to eligible service delivery areas within the State funds appropriated for such program year that are available for reallocation.

"(2) AMOUNT.—The amount available for reallocation is equal to the amount by which the unobligated balance of the service delivery area allocation under part A or C of title II for all service delivery areas within the State at the end of the program year prior to the program year for which the determination under this subsection is made exceeds 15 percent of such allocation for the prior program year.

"(3) REALLOCATION.—The Governor shall reallocate the amounts available pursuant to paragraph (2) to eligible service delivery areas within the State that have the highest rates of unemployment for an extended period of time and to those with the highest poverty rates.

"(4) ELIGIBILITY.—For purposes of this subsection, an eligible service delivery area means a service delivery area that has obligated at least 85 percent of its allocation under part A or C of title II, respectively, for the program year prior to the program year for which the determination under this subsection is made.

"(b) REALLOTMENT AMONG STATES.—

"(1) IN GENERAL.—For program years beginning on or after July 1, 1993, the Secretary shall, in accordance with the requirements of this subsection, reallot to eligible States funds appropriated for such program year that are available for reallotment.

"(2) AMOUNT.—The amount available for reallotment is equal to the amount by which the unobligated balance of the State allotment under part A or C of title II, respectively, for all States at the end of the program year prior to the program year for which the determination under this subsection is made exceeds 15 percent of such allotment for that prior program year.

"(3) REALLOTMENT.—The Secretary shall reallot the amounts available pursuant to paragraph (2) to each eligible State an amount based on the relative amount allotted to such eligible State under part A or C of title II, respectively, for the program year the determination under this subsection is made compared to the total amount allotted to all eligible States under part A or C of title II, respectively, for such program year.

"(4) ELIGIBILITY.—For purposes of this subsection, an eligible State means a State that has obligated at least 85 percent of its allocation under part A or C of title II, respectively, for the pro-

gram year prior to the program year for which the determination under this subsection is made.

"(5) PROCEDURES.—The Governor of each State shall prescribe uniform procedures for the obligation of funds by service delivery areas within the State in order to avoid the requirement that funds be made available for reallotment under this subsection. The Governor shall further prescribe equitable procedures for making funds available from the State and service delivery areas in the event that a State is required to make funds available for reallotment under this subsection.

"(d) CALCULATION.—Funds obligated to carry out programs under section 204(d) shall not be counted in determining the amount available for reallocation under subsection (a)(2) or the amount available for reallotment under subsection (b)(2).".

Subtitle C—Additional State Responsibilities

SEC. 121. GOVERNOR'S COORDINATION AND SPECIAL SERVICES PLAN.

(a) REQUIREMENTS FOR PLAN.—Section 121(b) of the Act (29 U.S.C. 1531(b)) is amended—

(1) by striking paragraph (2) and inserting the following:

"(2) The plan shall describe the measures taken by the State to ensure coordination and avoid duplication between the State agencies administering the JOBS program and programs under title II in the planning and delivery of services. The plan shall describe the procedures developed by the State to ensure that the State JOBS plan is consistent with the coordination criteria specified in this plan and identify the procedures developed to provide for the review of the JOBS plan by the State Job Training Coordinating Council.";

(2) by redesignating paragraphs (3), (4), (5), and (6) as paragraphs (4), (5), (6), and (7), respectively; and

(3) by inserting the following new paragraph after paragraph (2):

"(3) The plan shall describe the projected use of resources, including oversight of program performance, program administration, and program financial management, capacity building, priorities and criteria for State incentive grants, and performance goals for State-supported programs. The description of capacity building shall include the Governor's plans for technical assistance to service delivery areas and service providers, interstate technical assistance and training arrangements, other coordinated technical assistance arrangements undertaken pursuant to the direction of the Secretary, and, where applicable, research and demonstration projects.

(b) CONFORMING AMENDMENTS.—Section 121(c) of the Act (29 U.S.C. 1531(c)) is amended—

(1) in paragraph (7), by inserting after the paragraph designation the following: "coordination of activities relating to part A of title II with";

(2) by striking "and" at the end of paragraph (10);

(3) by striking the period at the end of paragraph (11) and inserting "; and"; and

(4) by adding at the end the following new paragraph:

"(12) making available to service delivery areas appropriate information and technical assistance to assist in developing and implementing joint programs, including youth corps programs, in which activities supported under this Act are coordinated with activities supported under the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.).".

SEC. 122. STATE EDUCATION COORDINATION AND GRANTS.

Section 123 of the Act (29 U.S.C. 1533) is amended to read as follows:

"STATE EDUCATION COORDINATION AND GRANTS

"SEC. 123. (a) ALLOTMENT.—

"(1) IN GENERAL.—The Secretary shall allot to the Governor for allocation to any State education agency the sums made available to carry out this section under sections 202(c)(1)(C) and 262(c)(1)(C) to pay for the Federal share of carrying out the projects described in paragraph (2). In allocating such funds to the State education agency, the Governor shall not establish requirements governing the geographic distribution of funds under this section.

"(2) PROJECTS.—Funds allocated under paragraph (1) may be used to pay for the Federal share of carrying out projects (in accordance with agreements under subsection (b)) that—

"(A) provide school-to-work transition services of demonstrated effectiveness that increase the rate of graduation from high school, or completion of the recognized equivalent thereof, including services that increase the rate at which school dropouts return to regular or alternative schooling and obtain a high school degree or its equivalent, and, which may include, services to support multiyear dropout prevention programs of demonstrated effectiveness;

"(B) provide literacy and lifelong learning opportunities and services of demonstrated effectiveness that—

"(i) enhance the knowledge and skills of educationally and economically disadvantaged individuals; and

"(ii) result in increasing the employment and earnings of such individuals;

"(C) provide statewide coordinated approaches, including model programs, to train, place, and retain women in nontraditional employment; and

"(D)(i) facilitate coordination of education and training services for eligible participants in projects described in subparagraphs (A), (B), and (C); or

"(ii)(I) support activities pertaining to a State human resources investment council that meets the requirements of title VII and includes each of the programs described in clauses (i) through (vii) of section 701(b)(2)(A); or

"(II) support activities pertaining to a State council, which carries out functions similar to the functions of the State human resource investment council described in title VII, if such State council was established prior to July 1, 1992.

"(3) FEDERAL SHARE.—The Federal share of the cost of carrying out the projects described in paragraph (2) shall be 50 percent.

"(b) AGREEMENTS REQUIRED.—

"(1) PARTIES TO AGREEMENTS.—The projects described in subsection (a)(2) shall be conducted within a State in accordance with agreements that—

"(A) reflect the goals and services described in paragraphs (1), (2), and (3) of subsection (c); and

"(B) are developed between the State education agency, administrative entities in service delivery areas in the State, and other entities, such as other State agencies, local educational agencies, and alternative service providers (such as community-based and other nonprofit or for-profit organizations).

"(2) CONTENTS OF AGREEMENTS.—

"(A) CONTRIBUTION.—The agreements described in paragraph (1) shall provide for the contribution by the State, from funds other than the funds made available under this Act, of a total amount equal to the funds allotted under this section.

"(B) DIRECT COST OF SERVICES.—Such amount may include the direct cost of employment or training services—

"(i) provided by State or local programs or agencies; or

"(ii) provided by other Federal programs or agencies in accordance with applicable Federal law.

"(c) GOVERNOR'S PLAN REQUIREMENTS.—The State education agency shall submit for inclusion in the Governor's coordination and special services plan a description developed jointly by the State education agency and the Governor of—

"(1) the goals to be achieved and services to be provided by the school-to-work transition programs specified in subsection (a)(2)(A) that will receive the assistance, which description shall, at a minimum, include information regarding—

"(A) the activities and services that will result in increasing the number of youth staying in or returning to school and graduating from high school or the equivalent;

"(B) the work-based curriculum that will link classroom learning to work site experience and address the practical and theoretical aspects of work;

"(C) the opportunities that will be made available to participants to obtain career-path employment and postsecondary education;

"(D) the integration to be achieved, in appropriate circumstances, in the delivery of services between State and local educational agencies and alternative service providers, such as community-based and nonprofit organizations; and

"(E) the linkages that will be established, where feasible, to avoid duplication and enhance the delivery of services, with programs under—

"(i) title II and part B of title IV;

"(ii) the Elementary and Secondary Education Act (20 U.S.C. 2701 et seq.);

"(iii) the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.);

"(iv) the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.);

"(v) the Adult Education Act (20 U.S.C. 1201 et seq.);

"(vi) the JOBS program;

"(vii) the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77; 101 Stat. 482); and

"(viii) the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.);

"(2) the goals to be achieved and services to be provided by literacy and lifelong learning programs specified in subsection (a)(2)(B) that will receive the assistance, which description shall, at a minimum, include information regarding—

"(A) the activities and services that will increase the knowledge and skills of educationally and economically disadvantaged individuals, and result in increased employment and earnings for such individuals;

"(B) the integration to be achieved between projects assisted under this section and the 4-year State plan (and related needs assessment carried out for the plan) developed in accordance with section 342 of the Adult Education Act (20 U.S.C. 1206a);

"(C) the variety of settings, including workplace settings, in which literacy training and learning opportunities will be provided; and

"(D) the linkages that will be established, where feasible, to avoid duplication and enhance the delivery of services, with programs under—

"(i) titles II and III;

"(ii) the Adult Education Act;

"(iii) the Carl D. Perkins Vocational and Applied Technology Education Act;

"(iv) the Stewart B. McKinney Homeless Assistance Act;

"(v) the JOBS program;

"(vi) the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.);

"(vii) the National Literacy Act of 1991 (Public Law 102-73);

"(viii) the Emergency Immigrant Education Act of 1984 (20 U.S.C. 3121 et seq.); and

"(ix) the National and Community Service Act of 1990;

"(3) the goals to be achieved and services to be provided by the nontraditional employment for women programs specified in subsection (a)(2)(C) that will receive the assistance; and

"(4) the proportion of funds received under this section that will be used to achieve the goals, and provide the services, described in paragraphs (1), (2), and (3).

"(d) SERVICE REQUIREMENTS.—

"(1) PERMITTED SERVICES.—Services funded under this section to carry out the projects described in subsection (a)(2) may include education and training, vocational education services,

and related services, provided to participants under title II. In addition, services funded under this section may include services for offenders, veterans, and other individuals who the Governor determines require special assistance.

"(2) LIMITATIONS ON EXPENDITURES.—

"(A) COORDINATION OF SERVICES.—Not more than 20 percent of the funds allocated under this section may be expended to pay for the Federal share of projects described in subsection (a)(2)(D) at the State and local levels.

"(B) SCHOOL-TO-WORK SERVICES; LITERACY AND LIFELONG LEARNING SERVICES.—Not less than 80 percent of the funds allocated under this section shall be expended to pay for the Federal share of projects conducted in accordance with subparagraphs (A), (B), and (C) of subsection (a)(2).

"(C) ECONOMICALLY DISADVANTAGED INDIVIDUALS.—Not less than 75 percent of the funds allocated for projects under subparagraphs (A), (B), and (C) of subsection (a)(2) shall be expended for projects for economically disadvantaged individuals who experience barriers to employment. Priority for funds not expended for the economically disadvantaged shall be given to title III participants and persons with barriers to employment.

"(e) DISTRIBUTION OF FUNDS IN ABSENCE OF AGREEMENT.—If no agreement is reached in accordance with subsection (b) on the use of funds under this section, the funds shall be available to the Governor to achieve the goals and provide the services described in paragraph (1), (2), or (3) of subsection (c).

"(f) REPORTS AND RECORDS.—

"(1) REPORTS BY GOVERNORS.—The Governor shall prepare reports on the projects funded under this section, including such information as the Secretary may require to determine the extent to which the projects supported under this section result in achieving the goals specified in paragraphs (1), (2), and (3) of subsection (c). The Governor shall submit the reports to the Secretary at such intervals as shall be determined by the Secretary.

"(2) RECORDS AND REPORTS OF RECIPIENTS.—Each direct or indirect recipient of funds under this section shall keep records that are sufficient to permit the preparation of reports. Each recipient shall submit such reports to the Secretary, at such intervals as shall be determined by the Secretary.".

SEC. 123. IDENTIFICATION OF ADDITIONAL IMPOSED REQUIREMENTS.

Section 124 of the Act (29 U.S.C. 1534) is amended to read as follows:

"IDENTIFICATION OF ADDITIONAL IMPOSED REQUIREMENTS

"SEC. 124. If a State or service delivery area imposes a requirement, including a rule, regulation, policy, or performance standard, relating to the administration and operation of programs funded by this Act (including requirements based on State or service delivery area interpretation of any Federal law, regulation, or guideline) the State or area shall identify the requirement as a State- or service delivery area-imposed requirement.".

SEC. 124. STATE LABOR MARKET INFORMATION PROGRAMS.

Section 125(a) of the Act is amended—

(1) by striking "and" at the end of paragraph (4);

(2) by striking the period at the end of paragraph (5) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(6) provide training and technical assistance to support comprehensive career guidance and participant activities for local programs assisted under this Act.".

Subtitle D—Program Requirements for Service Delivery System

SEC. 131. GENERAL PROGRAM REQUIREMENTS.

(a) RELOCATION.—Section 141(c) of the Act (29 U.S.C. 1551(c)) is amended to read as follows:

"(c)(1) No funds provided under this Act shall be used or proposed for use to encourage or induce the relocation, of an establishment or part thereof, that results in a loss of employment for any employee of such establishment at the original location.

"(2) No funds provided under this Act shall be used for customized or skill training, on-the-job training, or company specific assessments of job applicants or employees, for any establishment or part thereof, that has relocated, until 120 days after the date on which such establishment commences operations at the new location, if the relocation of such establishment or part thereof, results in a loss of employment for any employee of such establishment at the original location.

"(3) If a violation of paragraph (1) or (2) is alleged, the Secretary shall conduct an investigation to determine whether a violation has occurred.

"(4) If the Secretary determines that a violation of paragraph (1) or (2) has occurred, the Secretary shall require the State, service delivery area, or substate grantee that has violated paragraph (1) or (2) to—

"(A) repay to the United States an amount equal to the amount expended in violation of paragraph (1) or (2), in accordance with subsections (d) or (e) of section 164; and

"(B) pay an additional amount equal to the amount required to be repaid under subparagraph (A), unless the State, service delivery area, or substate grantee demonstrates to the Secretary that it neither knew nor reasonably could have known (after an inquiry undertaken with due diligence) that it provided funds in violation of paragraph (1) or (2).

"(5) Amounts received under paragraph (4)(B) shall be deposited in a special account in the Treasury for use by the Secretary for carrying out title III.".

(b) CHARGING OF COSTS.—Section 141(d)(3) of the Act (29 U.S.C. 1551(d)(3)) is amended—

(1) by inserting "(A)" after the paragraph (3) designation; and

(2) by inserting the following new subparagraphs:

"(B) Tuition charges for training or education provided by an institution of higher education (as defined in section 1201(a) of the

Higher Education Act of 1965 (20 U.S.C. 1141(a))) or a proprietary institution of higher education (as defined in section 481(b) of such Act (20 U.S.C. 1088(b))), that are not more than the charges for such training or education made available to the general public, do not require a breakdown of cost components.

"(C) With respect to funds provided from the allocation to a service delivery area for any program year that are expended by any community-based organization or non-profit organization for the cost of administration under part A or C of title II, the service delivery area shall not be subject to the limitation contained in section 108(b)(4)(A) if—

"(i) such funds are expended pursuant to an agreement under which not less than 90 percent of the funds provided to the community-based organization or nonprofit organization are to be expended for the costs of direct training and training-related and supportive services;

"(ii) the expenditures of such funds are charged by the service delivery area to the appropriate cost category;

"(iii) the expenditure of such funds does not result in the service delivery area exceeding the limitation contained in section 108(b)(4)(A) by more than 25 percent of such limitation; and

"(iv) the service delivery area is in compliance with the limitation contained in section 108(b)(4)(B) for such program year, except that such limitation shall be reduced by a percentage equal to one-half of the percentage by which the expenditures of the service delivery area under this subparagraph exceed the limitation under section 108(b)(4)(A).".

(c) PLACEMENT.—Section 141(d) of the Act (29 U.S.C. 1551(d)) is amended by adding at the end the following new paragraph:

"(4) Placements made in unsubsidized employment shall be, to the extent practicable, in occupational areas related to the training provided to the participant.".

(d) SERVICE DELIVERY AREA AGREEMENTS.—Section 141(e) of the Act (29 U.S.C. 1551(e)) is amended—

(1) by inserting "(1)" after "(e)"; and

(2) by adding at the end the following new paragraph:

"(2) Any service delivery area may enter into an agreement or contract with another service delivery area (including a service delivery area that is a city or county within the same labor market) to pay or share the cost of educating, training, or placing individuals participating in programs assisted under this Act, including the provision of supportive services. Such agreement or contract shall be approved by each private industry council providing guidance to the service delivery area and shall be described in the job training plan under section 104.".

(e) ON-THE-JOB TRAINING.—Section 141(g) of the Act (29 U.S.C. 1551(g)) is amended—

(1) by inserting "(1)" after "(g)"; and

(2) by adding at the end the following new paragraphs:

"(2) On-the-job training authorized under the Act for a participant shall be limited in duration to a period not in excess of that generally required for acquisition of skills needed for the position within a particular occupation, but in no event shall exceed 6 months, unless the total number of hours of such training is less

than 500 hours. In determining the period generally required for acquisition of the skills, consideration shall be given to recognized reference material (such as the Dictionary of Occupational Titles), the content of the training of the participant, the prior work experience of the participant, and the service strategy of the participant.

"(3)(A) Each on-the-job training contract shall—

"(i) specify the types and duration of on-the-job training and the other services to be provided in sufficient detail to allow for a fair analysis of the reasonableness of proposed costs; and

"(ii) comply with the applicable requirements of section 164.

"(B) Each on-the-job training contract that is not directly contracted by a service delivery area with an employer (but instead is contracted through an intermediary brokering contractor) shall, in addition to meeting the requirements of subparagraph (A), specify the outreach, recruitment, participant training, counseling, placement, monitoring, followup, and other services to be provided directly by the brokering contractor within its own organization, the services to be provided by the employers conducting the on-the-job training, and the services to be provided, with or without cost, by other agencies and subcontractors.

"(C) If a brokering contractor enters into a contract with a subcontractor to provide training or other services, the brokering contractor shall ensure, through on-site monitoring, compliance with subcontract terms prior to making payment to the subcontractor.

"(4) In accordance with regulations issued by the Secretary, on-the-job training contracts under this Act shall not be entered into with employers who have received payments under previous contracts and have exhibited a pattern of failing to provide on-the-job training participants with continued long-term employment as regular employees with wages and employment benefits (including health benefits) and working conditions at the same level and to the same extent as other employees working a similar length of time and doing the same type of work.".

(f) TRAINING SERVICES REQUIREMENT FOR SUBSIDIZED EMPLOYMENT.—Section 141(k) of the Act (29 U.S.C. 1551(k)) is amended by striking "section 205(d)(3)(B)" and inserting "subparagraphs (F) and (H) of section 264(c)(1)".

(g) PROGRAM INCOME.—Section 141(m) of the Act (29 U.S.C. 1551(m)) is amended to read as follows:

"(m)(1) Income under any program administered by a public or private nonprofit entity may be retained by such entity only if used to continue to carry out the program.

"(2) Income subject to the requirements of paragraph (1) shall include—

"(A) receipts from goods or services (including conferences) provided as a result of activities funded under the Act;

"(B) funds provided to a service provider under the Act that are in excess of the costs associated with the services provided; and

"(C) interest income earned on funds received under this Act.

"(3) For the purposes of this subsection, each entity receiving financial assistance under this Act shall maintain records sufficient to determine the amount of income received and the purposes for which such income is expended.".

(h) CROSS REFERENCE.—Section 141(p) of the Act (29 U.S.C. 1551(p)) is amended by striking "part A of title II" and inserting "part A or C of title II".

(i) ADDITIONAL REQUIREMENTS.—Section 141 of the Act is further amended by adding at the end the following new subsections:

"(q) No funds available under this Act shall be used for employment generating activities, economic development activities, investment in revolving loan funds, capitalization of businesses, investment in contract bidding resource centers, and similar activities. No funds under title II or III of this Act shall be used for foreign travel.

"(r) The Federal requirements governing the title, use, and disposition of real property, equipment, and supplies purchased with funds provided under this Act shall be the Federal requirements generally applicable to Federal grants to States and local governments.".

SEC. 132. BENEFITS.

Section 142 of the Act (29 U.S.C. 1552) is amended—

(1) in subsection (a), by adding at the end the following new paragraph:

"(4) References in paragraphs (2) and (3) to section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1))—

"(A) shall be deemed to be references to section 6(c) of that Act for individuals in the Commonwealth of Puerto Rico;

"(B) shall be deemed to be references to 6(a)(3) of that Act for individuals in American Samoa; and

"(C) shall not be applicable for individuals in other territorial jurisdictions in which section 6 of the Fair Labor Standards Act of 1938 does not apply."; and

(2) in subsection (b), by striking "other than programs" and inserting "other than as provided".

SEC. 133. LABOR STANDARDS.

Section 143(b)(2) of the Act (29 U.S.C. 1553(b)(2)) is amended to read as follows:

"(2) No program under this Act shall impair—

"(A) existing contracts for services; or

"(B) existing collective bargaining agreements, unless the employer and the labor organization concur in writing with respect to any elements of the proposed activities which affect such agreement, or either such party fails to respond to written notification requesting its concurrence within 30 days of receipt thereof.".

SEC. 134. GRIEVANCE PROCEDURE.

(a) IN GENERAL.—Section 144 of the Act (29 U.S.C. 1554) is amended by adding at the end the following new subsections:

"(d)(1) If a person alleges a violation of section 143 and such person exhausts the recipient's grievance procedure or the 60-day time period described in subsection (a) has elapsed without a decision, either party to such procedure may submit the grievance to the Secretary. The Secretary shall investigate the allegations contained in the grievance and make a determination as to whether a violation of section 143 has occurred.

"(2) If the results of the investigation conducted pursuant to paragraph (1) indicate that a modification or reversal of the decision issued pursuant to the recipient's grievance procedure is warranted, or the 60-day time period described in subsection (a) has elapsed without a decision, the Secretary may modify or reverse the decision, or issue a decision if no decision has been issued, as the case may be, after an opportunity for a hearing in accordance with the procedures under section 166.

"(3) If the Secretary determines that the decision issued pursuant to the recipient's grievance procedure is appropriate, the determination shall become the final decision of the Secretary.

"(e)(1) A person alleging a violation of section 143 may, as an alternative to the procedures described in this section, submit the grievance involving such violation to a binding grievance procedure if a collective bargaining agreement covering the parties to the grievance so provides.

"(2) The remedies available under paragraph (1) shall be limited to the remedies available under subsection (f)(1)(C) and subsection (f)(2).

"(f)(1) Except as provided in paragraph (2), remedies available to grievants under this section for violations of section 143 shall be limited to—

"(A) suspension or termination of payments under this Act;

"(B) prohibition of placement of a participant, for an appropriate period of time, in a program under this Act with an employer that has violated section 143, as determined under subsection (d) or (e); and

"(C) appropriate equitable relief (other than back pay).

"(2) In addition to the remedies available under paragraph (1), remedies available under this section for violations of subsection (a)(4), paragraphs (1) and (3) of subsection (b), and subsection (d) of section 143 may include—

"(A) reinstatement of the grievant to the position held by such grievant prior to displacement;

"(B) payment of lost wages and benefits; and

"(C) reestablishment of other relevant terms, conditions, and privileges of employment.

"(g) Nothing in subsection (f) shall be construed to prohibit a grievant from pursuing a remedy authorized under another Federal, State, or local law for a violation of section 143.".

(b) CONFORMING AMENDMENT.—Section 166(a) of the Act (29 U.S.C. 1576(a)) is amended in the 3rd sentence by inserting "section 141(c), subsections (d) and (e) of section 144, or" after "Except to the extent provided for in".

Subtitle E—Federal and Fiscal Administrative Provisions

SEC. 141. PROMPT ALLOCATION OF FUNDS.

Section 162 of the Act (29 U.S.C. 1572) is amended by adding at the end the following new subsection:

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"(f) When contracting with nonprofit organizations of demonstrated effectiveness, the Secretary, States, substate areas, and service delivery areas may make advance payments, provided that such payments are based on the financial need of such organization and are not in excess of 20 percent of the total contract amount.".

SEC. 142. FISCAL CONTROLS; SANCTIONS.

(a) FISCAL CONTROLS.—Section 164(a) of the Act (29 U.S.C. 1579(a)) is amended to read as follows:

"(a)(1) Each State shall establish such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursal of, and accounting for, Federal funds paid to the recipient under titles II and III. Such procedures shall ensure that all financial transactions are conducted and records maintained in accordance with generally accepted accounting principles applicable in each State.

"(2) The Secretary shall prescribe regulations establishing uniform cost principles substantially equivalent to such principles generally applicable to recipients of Federal grants funds. At a minimum, such standards shall provide that, to be allowable, costs must—

"(A) be necessary and reasonable for proper and efficient administration of the program under this Act;

"(B) be allocable to the program under this Act; and

"(C) not be a general expense required to carry out the overall responsibilities of State, local, or federally recognized Indian tribal governments except as specifically provided by this Act.

"(3) The Governor, in accordance with minimum requirements established by the Secretary in regulations, shall prescribe and implement procurement standards to ensure fiscal accountability and prevent fraud and abuse in programs administered under this Act. The Secretary, in establishing such minimum requirements, shall consult with the Inspector General of the Department of Labor and take into consideration relevant aspects of the circulars issued by the Director of the Office of Management and Budget. Such minimum requirements shall include provisions to ensure that for States, substate areas, and service delivery areas—

"(A) procurements shall be conducted in a manner providing full and open competition;

"(B) the use of sole source procurements shall be minimized to the extent practicable, but in every case shall be justified;

"(C) procurements shall include an appropriate analysis of the reasonableness of costs and prices;

"(D) procurements shall not provide excess program income (for nonprofit and governmental entities) or excess profit (for private for-profit entities), and that appropriate factors shall be utilized in determining whether such income or profit is excessive, such as—

"(i) the complexity of the work to be performed;

"(ii) the risk borne by the contractor; and

"(iii) market conditions in the surrounding geographical area;

"(E) procurements shall clearly specify deliverables and the basis for payment;

"(F) written procedures shall be established for procurement transactions;

"(G) no grantee, contractor, subgrantee, or subcontractor shall engage in any conflict of interest, actual or apparent, in the selection, award, or administration of a contract or grant under this Act;

"(H) all grantees and subgrantees shall conduct oversight to ensure compliance with procurement standards; and

"(I) procurement transactions between units of State or local governments, and any other entities organized principally as the administrative entity for service delivery areas, shall be conducted on a cost reimbursable basis.

"(4) The Governor shall annually conduct on-site monitoring of each service delivery area and substate area within the State to ensure compliance with the procurement standards established pursuant to paragraph (3).

"(5) If the Governor determines that a service delivery area or substate area is not in compliance with the procurement standards established pursuant to paragraph (3), the Governor shall—

"(A) require corrective action to secure prompt compliance; and

"(B) impose the sanctions provided under subsection (b) in the event of failure to take the required corrective action.

"(6) The Governor shall biennially certify to the Secretary that—

"(A) the State has implemented the procurement standards established under paragraph (3);

"(B) the State has monitored substate areas and service delivery areas to ensure compliance with the procurement standards as required under paragraph (4); and

"(C) the State has taken appropriate action to secure compliance pursuant to paragraph (5).

"(7) If the Secretary determines that the Governor has not fulfilled the requirements of this subsection, the Secretary shall—

"(A) require corrective action to secure prompt compliance; and

"(B) impose the sanctions provided under subsection (f) in the event of failure of the Governor to take the required corrective action.

"(8) The Secretary, in consultation with the Inspector General, shall review the implementation of this subsection and submit a report to the appropriate committees of the Congress, not later than October 1, 1995, evaluating the effectiveness of this subsection in ensuring fiscal accountability and containing such recommendations as the Secretary determines to be appropriate.".

(b) CONSEQUENCES OF FAILURES.—Section 164(b) of the Act (29 U.S.C. 1574(b)) is amended to read as follows:

"(b)(1) If, as a result of financial and compliance audits or otherwise, the Governor determines that there is a substantial violation of a specific provision of this Act or the regulations under this Act, and corrective action has not been taken, the Governor shall—

"(A) issue a notice of intent to revoke approval of all or part of the plan affected; or

"(B) impose a reorganization plan, which may include—

"(i) restructuring the private industry council involved;

"(ii) prohibiting the use of designated service providers;

"(iii) selecting an alternative entity to administer the program for the service delivery area involved;

"(iv) merging the service delivery area into 1 or more other existing service delivery areas; or

"(v) other such changes as the Secretary or Governor determines necessary to secure compliance.

"(2)(A) The actions taken by the Governor pursuant to paragraph (1)(A) may be appealed to the Secretary under the same terms and conditions as the disapproval of the plan and shall not become effective until—

"(i) the time for appeal has expired; or

"(ii) the Secretary has issued a decision.

"(B) The actions taken by the Governor pursuant to paragraph (1)(B) may be appealed to the Secretary, who shall make a final decision not later than 60 days of the receipt of the appeal.

"(3) If the Governor fails to promptly take the actions required under paragraph (1), the Secretary shall take such actions.".

SEC. 143. REPORTS, RECORDKEEPING, AND INVESTIGATIONS.

(a) STANDARDIZED RECORDS.—Section 165(a) of the Act (29 U.S.C. 1575(a)) is amended by adding at the end the following new paragraphs:

"(3) In order to allow for the preparation of national estimates necessary to meet the requirements of subsection (c), recipients shall maintain standardized records for all individual participants and provide to the Secretary a sufficient number of such records to provide for an adequate analysis.

"(4)(A) Except as provided in subparagraph (B), records maintained by recipients pursuant to this subsection shall be made available to the public upon request.

"(B) Subparagraph (A) shall not apply to—

"(i) information, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy; and

"(ii) trade secrets, or commercial or financial information, obtained from a person and privileged or confidential.

"(C) Recipients may charge fees sufficient to recover costs applicable to the processing of requests for records under subparagraph (A).".

(b) AUDIT NOTICE.—Section 165(b) is amended by adding the following new paragraph:

"(3)(A) In carrying out any audit under this Act (other than any initial audit survey or any audit investigating possible criminal or fraudulent conduct), either directly or through grant or contract, the Secretary, the Inspector General, or the Comptroller General shall furnish to the State, administrative entity, recipient, or other entity to be audited, advance notification of the overall objectives and purposes of the audit, and any extensive recordkeeping or data requirements to be met, not fewer than 14 days (or as soon as practicable), prior to the commencement of the audit.

"(B) If the scope, objectives, or purposes of the audit change substantially during the course of the audit, the entity being audited shall be notified of the change as soon as practicable.

"(C) The reports on the results of such audits shall cite the law, regulation, policy, or other criteria applicable to any finding.

"(D) Nothing contained in this Act shall be construed so as to be inconsistent with the Inspector General Act of 1978 (5 U.S.C. App.) or government auditing standards issued by the Comptroller General.".

(c) MONITORING OF SERVICE PROVIDERS.—Section 165(c) of the Act (29 U.S.C. 1575(c)) is amended to read as follows:

"(c) Each State, each administrative entity, and each recipient (other than a subrecipient, grantee or contractor of a recipient) receiving funds under this Act shall—

"(1) make readily accessible reports concerning its operations and expenditures as shall be prescribed by the Secretary;

"(2) prescribe and maintain comparable management information systems, in accordance with guidelines that shall be prescribed by the Secretary, designed to facilitate the uniform compilation, cross tabulation, and analysis of programmatic, participant, and financial data, on statewide and service delivery area bases, necessary for reporting, monitoring, and evaluating purposes, including data necessary to comply with section 167; and

"(3) monitor the performance of service providers in complying with the terms of grants, contracts, or other agreements made pursuant to this Act.".

(d) REPORT INFORMATION; RECORD RETENTION.—Section 165 of the Act is further amended by adding the following new subsections:

"(d)(1) The reports required in subsection (c) shall include information pertaining to—

"(A) the relevant demographic characteristics (including race, ethnicity, sex, and age) and other related information regarding participants;

"(B) the activities in which participants are enrolled, and the length of time that participants are engaged in such activities;

"(C) program outcomes, including occupations, for participants;

"(D) specified program costs; and

"(E) information necessary to prepare reports to comply with section 167.

"(2) The Secretary shall ensure that all elements of the information required for the reports described in paragraph (1) are defined and reported uniformly.

"(e) The Governor shall ensure that requirements are established for retention of all records pertinent to all grants awarded, and contracts and agreements entered into, under this Act, including financial, statistical, property and participant records and supporting documentation. For funds allotted to a State for any program year, records shall be retained for 2 years following the date on which the annual expenditure report containing the final expenditures charged to such program year's allotment is submitted to the Secretary. Records for nonexpendable property shall be retained for a period of 3 years after final disposition of the property.

"(f)(1) Each substate grantee and service delivery area shall submit quarterly financial reports to the Governor with respect to

programs under this Act. Such reports shall include information identifying all program costs by cost category in accordance with generally accepted accounting principles and by year of the appropriation.

"(2) Each State shall submit a summary of the reports submitted pursuant to paragraph (1) to the Secretary on a quarterly basis.

"(g) Each State, substate grantee, and service delivery area shall maintain records with respect to programs under this Act that identify—

"(1) any program income or profits earned, including such income or profits earned by subrecipients; and

"(2) any costs incurred (such as stand-in costs) that are otherwise allowable except for funding limitations.

"(h)(1) The Secretary shall conduct a biennial study on the provision of supportive services under programs conducted pursuant to title II. Such study shall identify—

"(A) the amount and proportion of funds expended for supportive services under title II;

"(B) the types of supportive services provided;

"(C) the relative share of funds expended for each type of supportive service;

"(D) the characteristics of the participants receiving supportive services; and

"(E) such other factors as the Secretary determines to be appropriate.

"(2) The Secretary shall submit a report to the Congress containing the results of each study conducted pursuant to paragraph (1).".

SEC. 144. NONDISCRIMINATION.

Section 167 of the Act (29 U.S.C. 1577) is amended by adding at the end the following new subsections:

"(e)(1) The head of the office of the Department of Labor referred to as the 'Directorate for Civil Rights' shall annually prepare a report on the administration and enforcement of this section.

"(2) The report required by paragraph (1) shall include—

"(A) an identification of the service delivery areas and States that have been determined, during the preceding program year, not to be in compliance with this section;

"(B) for each such identification, the date on which the inquiry was begun and whether the inquiry was initiated on the basis of a complaint or at the initiative of the Department;

"(C) an identification of the service delivery areas and States awaiting findings by the Directorate;

"(D) the number of service delivery areas and States that, during the preceding year, were determined not to be in compliance with this section, and the number for which insufficient data prevented the making of such a determination, identifying the type of data which is missing or inadequate;

"(E) a statistical summary, broken down by race, sex, national origin, disability, or age, of the number of inquiries undertaken and their outcomes;

"(F) an identification of any service delivery area or State that has been determined, during the preceding year, to have

failed to conduct objective assessments as required by sections 204 and 264 on a nondiscriminatory basis;

"(G) the amount expended by the Directorate for the administration and enforcement of this section, and the number and percentage of full-time employees, and the full-time equivalent of the part-time employees, engaged in such administration and enforcement;

"(H) the number of onsite visits conducted each year, and whether the visits were initiated by the Department or by complaint;

"(I) the number of cases referred to the Attorney General, and for such cases—

"(i) the civil actions taken by the Attorney General thereon; and

"(ii) the use, by the Secretary, of the authority of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), the Age Discrimination Act of 1975 (29 U.S.C. 621 et seq.), or section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794); and

"(J) a description of any other actions taken by the Secretary under or related to the administration and enforcement of this section.

"(3) The report required by this subsection shall be submitted to the Congress as part of the Secretary's annual report under section 169(d).

"(f) In addition to any other sums authorized to be appropriated under Federal law, there are authorized to be appropriated for the operations and expenses of the Directorate such sums as may be necessary for the purpose of increasing the number of full time equivalent personnel available to the Directorate in order to comply with the requirements of this section.

"(g) The Secretary shall issue final regulations implementing this section not later than 90 days after the date of the enactment of the Job Training Reform Amendments of 1992.".

SEC. 145. UTILIZATION OF SERVICES AND FACILITIES.

Section 170 of the Act (29 U.S.C. 1580) is amended by striking "and to the extent" and inserting "under the same conditions applicable under section 169(c) or to the extent".

TITLE II—TRAINING SERVICES FOR THE DISADVANTAGED

SEC. 201. ADULT TRAINING PROGRAM.

The Act (29 U.S.C. 1501 et seq.) is amended by striking title II and inserting the following:

"TITLE II—TRAINING SERVICES FOR THE DISADVANTAGED

"PART A—ADULT TRAINING PROGRAM

"SEC. 201. STATEMENT OF PURPOSE.

"It is the purpose of this part to establish programs to prepare adults for participation in the labor force by increasing their occupational and educational skills, resulting in improved long-term employability, increased employment and earnings, and reduced welfare dependency.".

SEC. 202. ADULT TRAINING PROGRAM ALLOTMENT AND ALLOCATION.

Title II of the Act (as amended by section 201) is further amended by adding at the end the following:

"SEC. 202. ALLOTMENT AND ALLOCATION.

"(a) ALLOTMENT.—

"(1) TERRITORIES.—Of the amount appropriated under section 3(a)(1) for each fiscal year and available to carry out this part, not more than one-quarter of 1 percent shall be allotted among Guam, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau.

"(2) STATE RESERVATION.—After determining the amounts to be allotted under paragraph (1), the Secretary shall allot 77 percent of the remainder to the States for allocation to service delivery areas within each State. Each State shall allocate to each service delivery area within the State the amount determined by the Secretary for such service delivery area pursuant to the formula contained in subsection (b). The remaining 23 percent shall be allotted in accordance with subsection (c).

"(b) ALLOCATION TO SERVICE DELIVERY AREAS.—

"(1) FORMULA.—Subject to the provisions of paragraph (2), of the amounts allocated to service delivery areas for this part for each fiscal year—

"(A) 33⅓ percent shall be allocated on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment within each service delivery area as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in all service delivery areas in all States;

"(B) 33⅓ percent shall be allocated on the basis of the relative excess number of unemployed individuals within each service delivery area as compared to the total excess number of unemployed individuals in all service delivery areas in all States; and

"(C) 33⅓ percent shall be allocated on the basis of the relative number of economically disadvantaged adults within each service delivery area as compared to the total number of economically disadvantaged adults in all service delivery areas in all States, except that for any service delivery area described in section 101(a)(4)(A)(iii), the allocation shall be

based on the higher of the number of adults in families with an income below the low-income level in such area or the number of economically disadvantaged adults in such area.

"(2) LIMITATIONS.—

"(A) MINIMUM PERCENTAGE.—No service delivery area shall be allocated less than 90 percent of its allocation percentage for the fiscal year preceding the fiscal year for which the determination is made.

"(B) MAXIMUM PERCENTAGE.—No service delivery area shall be allocated more than 130 percent of its allocation percentage for the fiscal year preceding the fiscal year for which the determination is made.

"(C) STATE MINIMUM.—Notwithstanding subparagraphs (A) and (B), the total allocation for all service delivery areas within any one State shall not be less than one-quarter of 1 percent of the total allocated to all service delivery areas in all States.

"(D) ALLOCATION PERCENTAGE.—

"(i) IN GENERAL.—Except as provided in clause (ii), for purposes of subparagraphs (A) and (B), the allocation percentage of a service delivery area for a fiscal year shall be the percentage of funds allocated to the service delivery area under this subsection.

"(ii) FISCAL YEAR 1992.—For purposes of subparagraphs (A) and (B), the allocation percentage of a service delivery area for fiscal year 1992 shall be the percentage of funds allocated to the service delivery area under part A of title II.

"(c) STATE ACTIVITIES.—

"(1) DIVISION.—Of the remaining 23 percent of funds available for allotment to States under this part for each fiscal year—

"(A) 5 percent of the funds available for such allotment under this part shall be allotted to the States in accordance with paragraph (2), for overall administration, management, and auditing activities relating to programs under this title and for activities described in sections 121 and 122;

"(B) 5 percent of the funds available for such allotment under this part shall be allotted to the States in accordance with paragraph (2), to provide incentive grants authorized under section 106(b)(7), in accordance with paragraph (3);

"(C) 8 percent of the funds available for such allotment under this part shall be allotted to the States in accordance with paragraph (2) to carry out section 123; and

"(D) 5 percent of the funds available for such allotment under this part shall be allotted to carry out section 204(d).

"(2) FORMULA FOR ALLOTMENT.—The allotments to each State described in paragraph (1) shall be based on the relative amount of funds allocated to all service delivery areas within such State under subsection (b) as compared to the amount of funds allocated to all service delivery areas in all States under subsection (b).

"(3) OTHER USES.—

"(A) CAPACITY BUILDING AND TECHNICAL ASSISTANCE.—The Governor may use up to 33 percent of the amount allotted under paragraph (1)(B) for providing capacity building and technical assistance to service delivery areas and service providers. Such use of funds may include the development and training of service delivery area and service provider staff and the development of exemplary program activities.

"(B) NONDUPLICATION AND COORDINATION.—Funds used under subparagraph (A)—

"(i) may not be used to duplicate the activities of the Capacity Building and Information and Dissemination Network established under section 453(b); and

"(ii) shall, to the extent practicable, be used to coordinate the activities under subparagraph (A) with the activities of the Network under section 453(b).

"(d) DEFINITIONS AND RULE.—

"(1) DEFINITIONS.—As used in this section:

"(A) ECONOMICALLY DISADVANTAGED ADULT.—The term 'economically disadvantaged adult' means an individual who is age 22 through 72 and who has, or is a member of a family that has, received a total family income that, in relation to family size, was not in excess of the higher of—

"(i) the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)); or

"(ii) 70 percent of the lower living standard income level.

"(B) EXCESS NUMBER.—The term 'excess number' means, with respect to the excess number of unemployed individuals within a service delivery area, the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the service delivery area, or the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such service delivery area.

"(C) STATE.—The term 'State' means any of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(2) SPECIAL RULE.—For the purposes of this section, the Secretary shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of economically disadvantaged adults.".

SEC. 203. ADULT TRAINING PROGRAM ELIGIBILITY AND SERVICES.

Title II of the Act (as amended by the preceding sections) is further amended by adding at the end the following:

"SEC. 203. ELIGIBILITY FOR SERVICES.

"(a) IN GENERAL.—Except as provided in subsection (c), an individual shall be eligible to participate in the program under this part only if such individual is—

"(1) 22 years of age or older; and

"(2) economically disadvantaged.

"(b) HARD-TO-SERVE INDIVIDUALS.—Not less than 65 percent of the participants in the program under this part, other than participants served under section 204(d), in each service delivery area shall be individuals who are included in 1 or more of the following categories:

"(1) Individuals who are basic skills deficient.

"(2) Individuals who are school dropouts.

"(3) Individuals who are recipients of cash welfare payments, including recipients under the JOBS program.

"(4) Individuals who are offenders.

"(5) Individuals with disabilities.

"(6) Individuals who are homeless.

"(7) Individuals who are in a category established under subsection (d).

"(c) SPECIAL RULE.—Not more than 10 percent of participants in a program assisted under this part, other than participants served under section 204(d), in each service delivery area may be individuals who are not economically disadvantaged if such individuals are age 22 or older and within 1 or more categories of individuals who face serious barriers to employment. Such categories may include the categories described in subsection (b), or categories such as displaced homemakers, veterans, alcoholics, or addicts.

"(d) ADDITIONAL CATEGORY.—A service delivery area conducting a program assisted under this part may add one category of individuals who face serious barriers to employment to the categories of eligible individuals described in subsection (b) if—

"(1) the service delivery area submits a request to the Governor identifying the additional category of individuals and justifying the inclusion of such category;

"(2) the additional category of individuals is not solely comprised of—

"(A) individuals with a poor work history; or

"(B) individuals who are unemployed; and

"(3) the Governor approves the request submitted under paragraph (1) and transmits a description of the approved request to the Secretary, as part of the Governor's coordination and special services plan under section 121.

"SEC. 204. PROGRAM DESIGN.

"(a) ESSENTIAL ELEMENTS.—

"(1) IN GENERAL.—The programs under this part shall include—

"(A) an objective assessment of the skill levels and service needs of each participant, which shall include a review of basic skills, occupational skills, prior work experience, employability, interests, aptitudes (including interests and aptitudes for nontraditional jobs), and supportive service needs, except that a new assessment of a participant is not

required if the program determines it is appropriate to use a recent assessment of the participant conducted pursuant to another education or training program (such as the JOBS program);

"(B) development of service strategies that shall identify the employment goal (including, in appropriate circumstances, nontraditional employment), appropriate achievement objectives, and appropriate services for participants taking into account the assessments conducted pursuant to subparagraph (A), except that a new service strategy for a participant is not required if the program determines it is appropriate to use a recent service strategy developed for the participant under another education or training program (such as the JOBS program);

"(C) a review of the progress of each participant in meeting the objectives of the service strategy; and

"(D) each of the following services, which shall be provided either directly or through arrangement with other programs to a participant where the assessment and the service strategy indicate such services are appropriate:

"(i) Basic skills training.

"(ii) Occupational skills training.

"(iii) Supportive services.

"(2) ADDITIONAL REQUIREMENTS.—

"(A) INFORMATION AND REFERRALS.—Each service delivery area shall ensure that each participant or applicant who meets the minimum income eligibility criteria shall be provided—

"(i) information on the full array of applicable or appropriate services that are available through the service delivery area or other service providers, including those receiving funds under this Act; and

"(ii) referral to appropriate training and educational programs that have the capacity to serve the participant or applicant either on a sequential or concurrent basis.

"(B) APPLICANTS NOT MEETING ENROLLMENT REQUIREMENTS.—

"(i) SERVICE PROVIDERS.—Each service provider shall ensure that an eligible applicant who does not meet the enrollment requirements of its particular program or who cannot be served shall be referred to the service delivery area for further assessment, as necessary, and referral to appropriate programs in accordance with subparagraph (A) to meet the basic skills and training needs of the applicant.

"(ii) SERVICE DELIVERY AREA.—The service delivery area shall ensure that appropriate referrals are made pursuant to clause (i), and shall maintain appropriate records of such referrals and the basis for such referrals.

"(b) AUTHORIZED SERVICES.—Subject to the limitations contained in subsection (c), services that may be made available to each participant under this part may include—

"(1) direct training services, including—

"(A) basic skills training, including remedial education, literacy training, and English-as-a-second-language instruction;

"(B) institutional skills training;

"(C) on-the-job training;

"(D) assessment of the skill levels and service needs of participants;

"(E) counseling, such as job counseling and career counseling;

"(F) case management services;

"(G) education-to-work transition activities;

"(H) programs that combine workplace training with related instruction;

"(I) work experience;

"(J) programs of advanced career training that provide a formal combination of on-the-job and institutional training and internship assignments that prepare individuals for career employment;

"(K) training programs operated by the private sector, including programs operated by labor organizations or by consortia of private sector employers utilizing private sector facilities, equipment, and personnel to train workers in occupations for which demand exceeds supply;

"(L) skill upgrading and retraining;

"(M) bilingual training;

"(N) entrepreneurial training;

"(O) vocational exploration;

"(P) training programs to develop work habits to help individuals obtain and retain employment;

"(Q) attainment of certificates of high school equivalency;

"(R) preapprenticeship programs;

"(S) on-site, industry-specific training programs supportive of industrial and economic development;

"(T) customized training conducted with a commitment by an employer or group of employers to employ an individual upon successful completion of the training; and

"(U) use of advanced learning technology for education, job preparation, and skills training; and

"(2) training-related and supportive services, including—

"(A) job search assistance;

"(B) outreach to make individuals aware of, and encourage the use of, employment and training services, including efforts to expand awareness of training and placement opportunities for limited-English proficient individuals and individuals with disabilities;

"(C) outreach, to develop awareness of, and encourage participation in, education, training services, and work experience programs to assist women in obtaining nontraditional employment, and to facilitate the retention of women in nontraditional employment, including services at the site of training or employment;

"(D) specialized surveys not available through other labor market information sources;

"(E) dissemination of information on program activities to employers;

"(F) development of job openings;

"(G) programs coordinated with other Federal employment-related activities;

"(H) supportive services, as defined in section 4(24), necessary to enable individuals to participate in the program;

"(I) needs-based payments and financial assistance;

"(J) followup services with participants placed in unsubsidized employment; and

"(K) services to obtain job placements for individual participants.

"(c) DESIGN OF SERVICES.—

"(1) WORKPLACE CONTEXT AND INTEGRATION.—Basic skills training provided under this part shall, in appropriate circumstances, have a workplace context and be integrated with occupational skills training.

"(2) BASIC EDUCATION OR OCCUPATIONAL SKILLS.—

"(A) ADDITIONAL SERVICES.—Except as provided in subparagraph (B), work experience, job search assistance, job search skills training, and job club activities provided under this part shall be accompanied by additional services designed to increase the basic education or occupational skills of a participant.

"(B) LACK OF APPROPRIATENESS AND AVAILABILITY.—Each program assisted under this part may only provide job search assistance, job search skills training, and job club activities to a participant without the additional services described in subparagraph (A) if—

"(i) the assessment and service strategy of a participant indicate that the additional services are not appropriate; and

"(ii) the activities are not available to the participant through the employment service or other public agencies.

"(3) NEEDS-BASED PAYMENTS.—Needs-based payments and financial assistance provided under this part shall be limited to payments necessary for participation in the program assisted under this part in accordance with a locally developed formula or procedure.

"(4) COUNSELING AND SUPPORTIVE SERVICES.—Counseling and supportive services provided under this part may be provided to a participant for a period up to 1 year after the date on which the participant completes the program.

"(5) PROHIBITION ON PRIVATE ACTIONS.—Nothing in this section shall be construed to establish a right for a participant to bring an action to obtain services described in the assessment or service strategy developed under subsection (a)(1).

"(6) VOLUNTEERS.—The service delivery area shall make opportunities available for individuals who have successfully participated in programs under this part to volunteer assistance to participants in the form of mentoring, tutoring, and other activities.

"(d) SERVICES FOR OLDER INDIVIDUALS.—

"(1) IN GENERAL.—The Governor is authorized to provide for job training programs that are developed in conjunction with service delivery areas within the State and that are consistent with the plan for the service delivery area prepared and submitted in accordance with section 104, and designed to ensure the training and placement of older individuals in employment opportunities with private business concerns. The Governor shall ensure that the program under this subsection provides services throughout the State to older individuals on an equitable basis, taking into account the relative share of the population of older individuals described in paragraph (6)(A) within the State, residing in each service delivery area.

"(2) AGREEMENTS.—

"(A) IN GENERAL.—In carrying out this subsection, the Governor shall, after consultation with appropriate private industry councils and chief elected officials, enter into agreements with public agencies, nonprofit private organizations (including veterans organizations), private industry councils, service delivery areas, and private business concerns.

"(B) PRIORITY.—In entering into the agreements described in subparagraph (A), the Governor shall give priority to national, State, and local agencies and organizations that have a record of demonstrated effectiveness in providing training and employment services to such older individuals.

"(3) CONSIDERATIONS.—The Governor shall give consideration to assisting programs involving training for jobs in growth industries and jobs reflecting the use of new technological skills.

"(4) COORDINATION.—In providing the services required by this subsection, the Governor shall make efforts to coordinate the delivery of such services with the delivery of services under title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.).

"(5) ELIGIBILITY.—

"(A) ECONOMICALLY DISADVANTAGED.—Except as provided in subparagraph (B), an individual shall be eligible to participate in a job training program under this subsection only if the individual is economically disadvantaged and is an older individual.

"(B) SPECIAL RULE.—

"(i) INDIVIDUALS FACING SERIOUS BARRIERS TO EMPLOYMENT.—An individual who is not economically disadvantaged as described in subparagraph (A) shall be eligible to participate in a job training program under this subsection if the individual faces serious barriers to employment, is an older individual, and meets income eligibility requirements under title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.) subject to clause (ii).

"(ii) LIMITATION.—Not more than 10 percent of all participants in a program assisted under this subsection shall be individuals who are not economically disadvantaged.

"(6) APPLICABLE REQUIREMENTS.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the requirements of this Act applicable to programs conducted under this subsection shall be the same requirements applicable to the other programs conducted under this part.

"(B) EXCEPTIONS.—

"(i) PROVISIONS NOT APPLICABLE.—The provisions of section 104, subsections (b)(7) and (j) of section 106, section 109, section 203, and section 204(a)(2) shall not be applicable to programs conducted under this subsection.

"(ii) GOVERNOR.—With respect to the application of sections 106(b), 108(b), 141(d)(3)(C), and 205 to programs conducted under this subsection, the term 'service delivery area', as used in such provisions, means the Governor.

"(7) DEFINITION.—As used in this subsection, the term 'older individual' means an individual age 55 or older.

"SEC. 205. LINKAGES.

"(a) IN GENERAL.—In conducting the program assisted under this part, service delivery areas shall establish appropriate linkages with other Federal programs. Such programs shall include, where feasible, programs assisted under—

"(1) the Adult Education Act (20 U.S.C. 1201 et seq.);

"(2) the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.);

"(3) the Wagner-Peyser Act (29 U.S.C. 49 et seq.);

"(4) part F of title IV of the Social Security Act (42 U.S.C. 681 et seq.);

"(5) the employment program established under section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4));

"(6) the National Apprenticeship Act (29 U.S.C. 50 et seq.);

"(7) the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.);

"(8) title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.);

"(9) chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.);

"(10) the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77; 101 Stat. 482);

"(11) the United States Housing Act of 1937 (42 U.S.C. 1437 et seq.);

"(12) the National Literacy Act of 1991 (Public Law 102-73);

"(13) the Head Start Act (42 U.S.C. 9831 et seq.) (for purposes of child care services); and

"(14) any other provisions of this Act.

"(b) OTHER APPROPRIATE LINKAGES.—In addition to the linkages required under subsection (a), each service delivery area receiving financial assistance under this part shall establish other appropriate linkages to enhance the provision of services under this part. Such linkages may be established with local educational agencies, local service agencies, public housing agencies, community-based organizations, business and labor organizations, volunteer groups working

with disadvantaged adults, and other training, education, employment, economic development, and social service programs.

"SEC. 206. TRANSFER OF FUNDS.

"A service delivery area may transfer up to 10 percent of the amounts allocated to the service delivery area under section 202(b) to the program under part C if such transfer is—

"(1) described in the job training plan; and

"(2) approved by the Governor.".

SEC. 204. SUMMER YOUTH EMPLOYMENT AND TRAINING PROGRAM.

Title II of the Act (as amended by the preceding sections) is further amended by adding at the end the following:

"PART B—SUMMER YOUTH EMPLOYMENT AND TRAINING PROGRAM

"SEC. 251. PURPOSE.

"It is the purpose of programs assisted under this part—

"(1) to enhance the basic educational skills of youth;

"(2) to encourage school completion or enrollment in supplementary or alternative school programs;

"(3) to provide eligible youth with exposure to the world of work; and

"(4) to enhance the citizenship skills of youth.

"SEC. 252. AUTHORIZATION OF APPROPRIATIONS; ALLOTMENT AND ALLOCATION.

"(a) TERRITORIAL AND NATIVE AMERICAN ALLOCATION.—From the funds appropriated under section 3(a)(2), the Secretary shall first allocate to Guam, the Virgin Islands, American Samoa, the Federated States of Micronesia, the Republic of the Marshall Islands, Palau, the Commonwealth of the Northern Mariana Islands, and entities eligible under section 401 the same percentage of funds as were available to such areas and entities for the summer youth program in the fiscal year preceding the fiscal year for which the determination is made.

"(b) USE OF PART C FORMULA FOR ALLOTMENT AND ALLOCATION.—The remainder of funds appropriated under section 3(a)(2) shall, for each fiscal year, be allotted among States and allocated among service delivery areas in accordance with section 262, except that no portion of such funds shall be reserved to carry out subsection (a)(1) or (c) of such section.

"SEC. 253. USE OF FUNDS.

"(a) IN GENERAL.—Funds available under this part may be used for—

"(1) basic and remedial education, institutional and on-the-job training, work experience programs, youth corps programs, employment counseling, occupational training, preparation for work, outreach and enrollment activities, employability assessment, job referral and placement, job search assistance and job club activities, activities under programs described in section 265(b), and any other employment or job training activity designed to give employment to eligible individuals or prepare the individuals for, and place the individuals in, employment;

"(2) supportive services necessary to enable such individuals to participate in the program; and

"(3) administrative costs, not to exceed 15 percent of the funds available under this part.

"(b) BASIC AND REMEDIAL EDUCATION.—

"(1) IN GENERAL.—A service delivery area shall expend funds (available under this Act or otherwise available to the service delivery area) for basic and remedial education and training as described in the job training plan under section 104.

"(2) EDUCATION OR TRAINING.—The education and training authorized by paragraph (1) may be provided by—

"(A) the year-round program under part C;

"(B) the Job Corps;

"(C) the JOBS program;

"(D) youth corps programs;

"(E) alternative or secondary schools; or

"(F) other education and training programs.

"(c) ASSESSMENT AND SERVICE STRATEGY.—

"(1) ASSESSMENT.—

"(A) IN GENERAL.—Except as provided in subparagraph (B), the programs under this part shall include an objective assessment of the basic skills and supportive services needs of each participant, which may include a review of occupational skills, prior work experience, employability, interests, and aptitudes.

"(B) RECENT ASSESSMENT.—A new assessment, or a factor of such assessment, of a participant is not required if the program determines it is appropriate to use a recent assessment of the participant conducted pursuant to another education or training program (such as the JOBS program or a regular high school academic program).

"(2) SERVICE STRATEGY.—

"(A) IN GENERAL.—Except as provided in subparagraph (E), the programs under this part shall include a service strategy for participants, which may identify achievement objectives, appropriate employment goals, and appropriate services for participants, taking into account the assessments conducted under paragraph (1).

"(B) RECENT SERVICE STRATEGY.—A new service strategy for a participant is not required if the program determines it is appropriate to use a recent service strategy developed for the participant under another education or training program (such as the JOBS program or a regular high school academic program).

"(d) FOLLOWUP SERVICES.—Service delivery areas shall make followup services available for participants if the service strategy indicates such services are appropriate.

"SEC. 254. LIMITATIONS.

"(a) USE DURING SUMMER MONTHS OR EQUIVALENT VACATION PERIOD.—

"(1) SUMMER MONTHS.—Except as provided in paragraph (2), programs under this part shall be conducted during the summer months.

"(2) VACATION PERIOD.—A service delivery area may, within the jurisdiction of any local educational agency that operates

schools on a year-round, full-time basis, offer the programs under this part to participants during a vacation period treated as the equivalent of a summer vacation.

"(b) ELIGIBILITY.—An individual shall be eligible to participate in the program assisted under this part if such individual—

"(1) is age 14 through 21; and

"(2)(A) is economically disadvantaged; or

"(B) has been determined to meet the eligibility requirements for free meals under the National School Lunch Act (42 U.S.C. 1751 et seq.) during the most recent school year.

"(c) CONCURRENT ENROLLMENT.—

"(1) IN GENERAL.—An eligible individual participating in a program assisted under this part may concurrently be enrolled in programs under part C. Appropriate adjustment to the youth performance standards (regarding attainment of competencies) under paragraphs (4)(A)(i) and (5) of section 106(b) shall be made to reflect the limited period of participation.

"(2) CONCURRENT ENROLLMENT AND TRANSFERS.—Youth being served under this part or part C youth programs are not required to be terminated from participation in one program in order to enroll in the other. The Secretary shall provide guidance to service delivery areas on simplified procedures for concurrent enrollment and transfers for youth from one program to the other.

"SEC. 255. APPLICABLE PROVISIONS.

"(a) COMPARABLE FUNCTIONS OF AGENCIES AND OFFICIALS.—Private industry councils established under title I, chief elected officials, State job training coordinating councils, and Governors shall have the same authority, duties, and responsibilities with respect to planning and administration of funds available under this part as the private industry councils, chief elected officials, State job training coordinating councils, and Governors have with respect to funds available under parts A and C.

"(b) PROGRAM GOALS AND OBJECTIVES.—Each service delivery area shall establish written program goals and objectives that shall be used for evaluating the effectiveness of programs conducted under this part. Such goals and objectives may include—

"(1) improvement in school retention and completion;

"(2) improvement in academic performance, including mathematics and reading comprehension;

"(3) improvement in employability skills; and

"(4) demonstrated coordination with other community service organizations such as local educational agencies, law enforcement agencies, and drug and alcohol abuse prevention and treatment programs.".

SEC. 205. SUMMER YOUTH PROGRAM TRANSFER OF FUNDS.

Title II of the Act (as amended by the preceding sections) is further amended by adding at the end the following:

"SEC. 256. TRANSFER OF FUNDS.

"A service delivery area may transfer up to 10 percent of the funds provided under this part to the program under part C if such transfer is approved by the Governor.".

SEC. 206. YOUTH TRAINING PROGRAM.

Title II of the Act (as amended by the preceding sections) is further amended by adding at the end the following:

"PART C—YOUTH TRAINING PROGRAM

"SEC. 261. STATEMENT OF PURPOSE.

"It is the purpose of the programs assisted under this part to improve the long-term employability of youth, enhance the educational, occupational, and citizenship skills of youth, encourage school completion or enrollment in alternative school programs, increase the employment and earnings of youth, reduce welfare dependency, and assist youth in addressing problems that impair the ability of youth to make successful transitions from school to work, apprenticeship, the military, or postsecondary education and training.".

SEC. 207. YOUTH TRAINING PROGRAM ALLOTMENT AND ALLOCATION.

Title II of the Act (as amended by the preceding sections) is further amended by adding at the end the following:

"SEC. 262. ALLOTMENT AND ALLOCATION.

"(a) ALLOTMENT.—

"(1) TERRITORIES.—Of the amount appropriated under section 3(a)(1) for each fiscal year and available to carry out this part, not more than one-quarter of 1 percent shall be allotted among Guam, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau.

"(2) STATE RESERVATION.—After determining the amounts to be allotted under paragraph (1), the Secretary shall allot 82 percent of the remainder to the States for allocation to service delivery areas within each State. Each State shall allocate to each service delivery area within the State the amount determined by the Secretary for such service delivery area pursuant to the formula contained in subsection (b). The remaining 18 percent shall be allotted in accordance with subsection (c).

"(b) ALLOCATION TO SERVICE DELIVERY AREAS.—

"(1) FORMULA.—Subject to the provisions of paragraph (2), of the amounts allocated to service delivery areas for this part for each fiscal year—

"(A) 33⅓ percent shall be allocated on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment within each service delivery area as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in all service delivery areas in all States;

"(B) 33⅓ percent shall be allocated on the basis of the relative excess number of unemployed individuals within each service delivery area as compared to the total excess number of unemployed individuals in all service delivery areas in all States; and

"(C) 33⅓ percent shall be allocated on the basis of the relative number of economically disadvantaged youth within each service delivery area as compared to the total number

of economically disadvantaged youth in all service delivery areas in all States except that, for any service delivery area described in section 101(a)(4)(A)(iii), the allocation shall be based on the higher of the number of youth in families with an income below the low-income level in such area or the number of economically disadvantaged youth in such area.

"(2) LIMITATIONS.—

"(A) MINIMUM PERCENTAGE.—No service delivery area shall be allocated less than 90 percent of its allocation percentage for the fiscal year preceding the fiscal year for which the determination is made.

"(B) MAXIMUM PERCENTAGE.—No service delivery area shall be allocated more than 130 percent of its allocation percentage for the fiscal year preceding the fiscal year for which the determination is made.

"(C) STATE MINIMUM.—Notwithstanding subparagraphs (A) and (B), the total allocation for all service delivery areas within any one State shall not be less than one-quarter of 1 percent of the total allocated to all service delivery areas in all States.

"(D) ALLOCATION PERCENTAGE.—

"(i) IN GENERAL.—Except as provided in clause (ii), for purposes of subparagraphs (A) and (B), the allocation percentage of a service delivery area for a fiscal year shall be the percentage of funds allocated to the service delivery area under this subsection.

"(ii) FISCAL YEAR 1992.—For purposes of subparagraphs (A) and (B), the allocation percentage of a service delivery area for fiscal year 1992 shall be the percentage of funds allocated to the service delivery area under part A of title II.

"(c) STATE ACTIVITIES.—

"(1) DIVISION.—Of the remaining 18 percent of funds available for allotment to States under this part for each fiscal year—

"(A) 5 percent of the funds available for such allotment under this part shall be allotted to the States in accordance with paragraph (2), for overall administration, management, and auditing activities relating to programs under this title and for activities described in sections 121 and 122;

"(B) 5 percent of the funds available for such allotment under this part shall be allotted to the States in accordance with paragraph (2), to provide incentive grants authorized under section 106(b)(7), in accordance with paragraph (3); and

"(C) 8 percent of the funds available for such allotment under this part shall be allotted to the States in accordance with paragraph (2) to carry out section 123.

"(2) FORMULA FOR ALLOCATION.—The allotments to each State described in paragraph (1) shall be based on the relative amount of funds allocated to all service delivery areas within such State under subsection (b) as compared to the amount of

funds allocated to all service delivery areas in all States under subsection (b).

"(3) OTHER USES.—

"(A) CAPACITY BUILDING AND TECHNICAL ASSISTANCE.—The Governor may use up to 33 percent of the amount allotted under paragraph (1)(B) for providing capacity building and technical assistance to service delivery areas and service providers. Such use of funds may include the development and training of service delivery area and service provider staff and the development of exemplary program activities.

"(B) NONDUPLICATION AND COORDINATION.—Funds used under subparagraph (A)—

"(i) may not be used to duplicate the activities of the Capacity Building and Information and Dissemination Network established under section 453(b); and

"(ii) shall, to the extent practicable, be used to coordinate the activities under subparagraph (A) with the activities of the Network under section 453(b).

"(d) DEFINITIONS AND RULE.—

"(1) DEFINITIONS.—As used in this section:

"(A) ECONOMICALLY DISADVANTAGED YOUTH.—The term 'economically disadvantaged youth' means an individual who is age 16 through 21 and who has, or is a member of a family that has, received a total family income that, in relation to family size, was not in excess of the higher of—

"(i) the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)); or

"(ii) 70 percent of the lower living standard income level.

"(B) EXCESS NUMBER.—The terms 'excess number' and 'State' shall have the meanings given the terms in subparagraphs (B) and (C), respectively, of section 202(d)(1).

"(2) SPECIAL RULE.—For the purposes of this section, the Secretary shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of economically disadvantaged youth.".

SEC. 208. YOUTH TRAINING PROGRAM ELIGIBILITY AND SERVICES.

Title II of the Act (as amended by the preceding sections) is further amended by adding at the end the following:

"SEC. 263. ELIGIBILITY FOR SERVICES.

"(a) IN-SCHOOL YOUTH.—Except as provided in subsections (e) and (g), an individual who is in school shall be eligible to participate in the program under this part if such individual—

"(1)(A) is age 16 through 21; or

"(B) if provided in the job training plan, is age 14 through 21; and

"(2)(A) is economically disadvantaged;

"(B) is participating in a compensatory education program under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2711 et seq.); or

"(C) has been determined to meet the eligibility requirements for free meals under the National School Lunch Act (42 U.S.C. 1751 et seq.) during the most recent school year.

"(b) HARD-TO-SERVE INDIVIDUALS WHO ARE IN-SCHOOL YOUTH.—Not less than 65 percent of the in-school individuals who participate in a program under this part shall be individuals who are included in one or more of the following categories:

"(1) Individuals who are basic skills deficient.

"(2) Individuals with educational attainment that is 1 or more grade levels below the grade level appropriate to the age of the individuals.

"(3) Individuals who are pregnant or parenting.

"(4) Individuals with disabilities, including a learning disability.

"(5) Individuals who are homeless or run-away youth.

"(6) Individuals who are offenders.

"(7) Individuals within a category established under subsection (h).

"(c) OUT-OF-SCHOOL YOUTH.—Except as provided in subsection (e), an individual who is out of school shall be eligible to participate in the program under this part if such individual is—

"(1) age 16 through 21; and

"(2) economically disadvantaged.

"(d) HARD-TO-SERVE INDIVIDUALS WHO ARE OUT-OF-SCHOOL YOUTH.—Not less than 65 percent of the out-of-school individuals who participate in a program under this part shall be individuals who are included in 1 or more of the following categories:

"(1) Individuals who are basic skills deficient.

"(2) Individuals who are school dropouts (subject to the conditions described in section 264(d)(2)).

"(3) Individuals who are pregnant or parenting.

"(4) Individuals with disabilities, including a learning disability.

"(5) Individuals who are homeless or run-away youth.

"(6) Individuals who are offenders.

"(7) Individuals in a category established under subsection (h).

"(e) EXCEPTIONS.—Not more than 10 percent of participants in a program assisted under this part in each service delivery area may be individuals who do not meet the requirements of subsection (a)(2) or (c)(2), if such individuals are within one or more categories of individuals who face serious barriers to employment. Such categories may include the categories described in subsections (b) and (d), or categories such as individuals with limited-English language proficiency, alcoholics, or drug addicts.

"(f) RATIO OF OUT-OF-SCHOOL TO IN-SCHOOL YOUTH.—

"(1) IN GENERAL.—Except as provided in paragraph (2), not less than 50 percent of the participants in the program under this part in each service delivery area shall be out-of-school individuals who meet the requirements of subsection (c), (d), or (e).

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"(2) COUNTING OF IN-SCHOOL INDIVIDUALS.—In-school individuals served as a part of a schoolwide project under subsection (g) shall not be counted as a part of the ratio of in-school individuals to out-of-school individuals.

"(g) SCHOOLWIDE PROJECTS FOR LOW-INCOME SCHOOLS.—

"(1) IN GENERAL.—In addition to the individuals described in subsection (e), an individual who does not meet the requirements of subsection (a)(2) may participate in the programs assisted under this part if such individual is enrolled in a public school—

"(A) that is located in a poverty area;

"(B) that is served by a local educational agency that is eligible for assistance under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2711 et seq.);

"(C) in which not less than 70 percent of the students enrolled are included in the categories described in subsection (b); and

"(D) that conducts a program under a cooperative arrangement that meets the requirements of section 265(d).

"(2) DEFINITION.—For the purposes of paragraph (1), the term 'poverty area' means an urban census tract or a nonmetropolitan county with a poverty rate of 30 percent or more, as determined by the Bureau of the Census.

"(h) ADDITIONAL CATEGORY.—A service delivery area conducting a program assisted under this part may add one category of youth who face serious barriers to employment to the categories of eligible individuals specified in subsection (b) and one category to the categories of eligible individuals described in subsection (d) if—

"(1) the service delivery area submits a request to the Governor identifying the additional category of individuals and justifying the inclusion of such category;

"(2) the additional category of individuals is not solely comprised of—

"(A) individuals with a poor work history; or

"(B) individuals who are unemployed; and

"(3) the Governor approves the request submitted under paragraph (1) and transmits a description of the approved request to the Secretary, as part of the Governor's coordination and special services plan under section 121.

"SEC. 264. PROGRAM DESIGN.

"(a) YEAR-ROUND OPERATION.—The programs under this part shall be conducted on a year-round basis. Services shall be made available on a multiyear basis as appropriate.

"(b) ESSENTIAL ELEMENTS.—

"(1) IN GENERAL.—The programs under this part shall include—

"(A) an objective assessment of the skill levels and service needs of each participant, which assessment shall include a review of basic skills, occupational skills, prior work experience, employability, interests, aptitudes (including interests and aptitudes for nontraditional jobs), and supportive service needs, except that a new assessment of a participant is

not required if the program determines it is appropriate to use a recent assessment of the participant conducted under another education or training program (such as the JOBS program);

"(B) development of service strategies that shall identify the employment goal (including, in appropriate circumstances, nontraditional employment), appropriate achievement objectives, and appropriate services for participants taking into account the assessments conducted pursuant to subparagraph (A), except that a new service strategy for a participant is not required if the program determines it is appropriate to use a recent service strategy developed for the participant under another education or training program (such as the JOBS program);

"(C) a review of the progress of each participant in meeting the objectives of the service strategy; and

"(D) each of the following services, which shall be provided either directly or through arrangement with other programs to a participant where the assessment and the service strategy indicate such services are appropriate:

"(i) Basic skills training.

"(ii) Occupational skills training.

"(iii) Preemployment and work maturity skills training.

"(iv) Work experience combined with skills training.

"(v) Supportive services.

"(2) ADDITIONAL REQUIREMENTS.—

"(A) INFORMATION AND REFERRALS.—Each service delivery area shall ensure that each participant or applicant who meets the minimum income eligibility criteria shall be provided—

"(i) information on the full array of applicable or appropriate services that are available through the service delivery area or other service providers, including those receiving funds under this Act; and

"(ii) referral to appropriate training and educational programs that have the capacity to serve the participant or applicant either on a sequential or concurrent basis.

"(B) APPLICANTS NOT MEETING ENROLLMENT REQUIREMENTS.—

"(i) SERVICE PROVIDERS.—Each service provider shall ensure that an eligible applicant who does not meet the enrollment requirements of its particular program or who cannot be served shall be referred to the service delivery area for further assessment, as necessary, and referral to appropriate programs in accordance with subparagraph (A) to meet the basic skills and training needs of the applicant.

"(ii) SERVICE DELIVERY AREA.—The service delivery area shall ensure that appropriate referrals are made pursuant to clause (i), and shall maintain appropriate records of such referrals and the basis for such referrals.

"(c) AUTHORIZED SERVICES.—Subject to the limitations contained in subsection (d), services which may be made available to youth with funds provided under this part may include—

"(1) direct training services, including—

"(A) the services described in section 204(b)(1);

"(B) tutoring and study skills training;

"(C) alternative high school services within programs that meet the requirements of section 141(o)(1);

"(D) instruction leading to high school completion or the equivalent;

"(E) mentoring;

"(F) limited internships in the private sector;

"(G) training or education that is combined with community and youth service opportunities in public agencies, nonprofit agencies, and other appropriate agencies, institutions, and organizations, including youth corps programs;

"(H) entry employment experience programs;

"(I) school-to-work transition services;

"(J) school-to-postsecondary education transition services;

"(K) school-to-apprenticeship transition services; and

"(L) preemployment and work maturity skills training; and

"(2) training-related and supportive services, including—

"(A) the services described in section 204(b)(2);

"(B) drug and alcohol abuse counseling and referral;

"(C) services encouraging parental, spousal, and other significant adult involvement in the program of the participant; and

"(D) cash incentives and bonuses based on attendance and performance in a program.

"(d) ADDITIONAL REQUIREMENTS.—

"(1) STRATEGIES AND SERVICES.—In developing service strategies and designing services for the program under this part, the service delivery area and private industry council shall take into consideration exemplary program strategies and practices, including the strategies and practices of model programs selected for replication under section 453(c).

"(2) SCHOOL DROPOUTS.—

"(A) PARTICIPATION REQUIREMENTS.—In order to participate in a program assisted under this part, except for interim periods, an individual who is under the age of 18 and a school dropout shall enroll in and attend a school, course, or program described in clause (ii) or (iii) of subparagraph (B).

"(B) SERVICE DELIVERY REQUIREMENTS.—

"(i) IN GENERAL.—Each service delivery area shall make available, in accordance with this subparagraph, to each participant in the program who is under the age of 18 and is a school dropout, at least 2 options for school attendance. Such options shall be provided concurrently or sequentially with other services provided under this part to each such participant as a part of the training of such participant.

"(ii) SCHOOL ATTENDANCE.—Each service delivery area shall provide, as one of the options for school attendance, an option for each such participant to enroll in and attend a high school equivalency program.

"(iii) ADDITIONAL OPTION.—Each service delivery area shall provide, as a second option for school attendance for each such participant—

"(I) an option to reenroll in and attend school;

"(II) an option to enroll in and attend an alternative high school; or

"(III) an option to enroll in and attend an alternative course of study approved by the local educational agency.

"(3) SKILLS TRAINING.—

"(A) PREEMPLOYMENT AND WORK MATURITY SKILLS TRAINING.—Preemployment and work maturity skills training authorized by this part shall be accompanied by either work experience or other additional services designed to increase the basic education or occupational skills of a participant. The additional services may be provided, concurrently or sequentially, under other education and training programs, including the Job Corps and the JOBS program.

"(B) ADDITIONAL SERVICES.—Work experience, job search assistance, job search skills training, and job club activities provided under this part shall be accompanied by additional services designed to increase the basic education or occupational skills of a participant. The additional services may be provided, concurrently or sequentially, under other education and training programs, including the Job Corps and the JOBS program.

"(C) ON-THE-JOB TRAINING.—

"(i) POSITIONS.—On-the-job training authorized under this part shall only be available in positions that—

"(I) pay the participant a wage that equals or exceeds the average wage at placement in the service delivery area for participants under part A; and

"(II) have career advancement potential.

"(ii) FORMAL PROGRAM OR STRUCTURED JOB TRAINING.—On-the-job training authorized under this part shall include a formal program of structured job training that will provide participants with an orderly sequence of instruction in work maturity skills, general employment competencies, and occupationally specific skills.

"(iii) PARTICIPATION REQUIREMENT.—In order to participate in on-the-job training authorized under this part, except for interim periods, an individual who has not attained a high school diploma or its equivalent shall concurrently enroll in and attend a school, course, or program described in clause (ii) or (iii) of paragraph (2)(B).

"(4) NEEDS-BASED PAYMENTS.—Needs-based payments and financial assistance provided under this part shall be limited to

payments necessary for participation in the program assisted under this part in accordance with a locally developed formula or procedure.

"(5) COUNSELING AND SUPPORTIVE SERVICES.—Counseling and supportive services provided under this part may be provided to a participant for a period of up to 1 year after the date on which the participant completes the program.

"(6) PROHIBITION ON PRIVATE ACTIONS.—Nothing in this section shall be construed to establish a right for a participant to bring an action to obtain services described in the assessment or service strategy developed under subsection (b)(1).

"(7) VOLUNTEERS.—The service delivery area shall make opportunities available for successful individuals who have previously participated in programs under this part to volunteer assistance to participants in the form of mentoring, tutoring, and other activities.

"SEC. 265. LINKAGES.

"(a) EDUCATIONAL LINKAGES.—In conducting the program assisted under this part, service delivery areas shall establish linkages with the appropriate educational agencies responsible for service to participants. Such linkages shall include—

"(1) formal agreements with local educational agencies that will identify—

"(A) the procedures for referring and serving in-school youth;

"(B) the methods of assessment of in-school youth; and

"(C) procedures for notifying the program when a youth drops out of the school system;

"(2) arrangements to ensure that the program under this part supplements existing programs provided by local educational agencies to in-school youth;

"(3) arrangements to ensure that the program under this part utilizes, to the extent possible, existing services provided by local educational agencies to out-of-school youth; and

"(4) arrangements to ensure that for in-school participants there is a regular exchange of information between the program and the educational agency relating to participant progress, problems, and needs, including, in appropriate circumstances, interim assessment results.

"(b) EDUCATION AND TRAINING PROGRAM LINKAGES.—In conducting the program assisted under this part, service delivery areas shall establish appropriate linkages with other education and training programs authorized under Federal law. Such programs shall include, where feasible, programs assisted under—

"(1) part B of title IV (the Job Corps);

"(2) parts A through D of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2711 et seq.);

"(3) the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.);

"(4) the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.);

"(5) the Wagner-Peyser Act (29 U.S.C. 49 et seq.);

"(6) part F of title IV of the Social Security Act (JOBS) (42 U.S.C. 681 et seq.);

"(7) the Food Stamp Act (7 U.S.C. 2011 et seq.);

"(8) the National Apprenticeship Act (29 U.S.C. 50 et seq.);

"(9) the Stewart B. McKinney Homeless Assistance Act (Public Law 100-77; 101 Stat. 482); and

"(10) any other provisions of this Act.

"(c) OTHER PROGRAMS.—In addition to the linkages required under subsections (a) and (b), service delivery areas receiving financial assistance under this part shall establish other appropriate linkages to enhance the provision of services under this part. Such linkages may be established with State and local service agencies, public housing agencies, community-based organizations, business and labor organizations, volunteer groups working with at-risk youth, parents and family members, juvenile justice systems, and other training, education, employment and social service programs, including programs conducted under part A.

"(d) SCHOOLWIDE PROJECTS FOR LOW-INCOME SCHOOLS.—In conducting a program serving individuals specified in section 263(g), the service delivery area shall establish a cooperative arrangement with the appropriate local educational agency that shall, in addition to the other requirements of this section, include—

"(1) a description of the ways in which the program will supplement the educational program of the school;

"(2) identification of measurable goals to be achieved by the program and provision for assessing the extent to which such goals are met;

"(3) a description of the ways in which the program will use resources provided under this part and resources provided under other education programs to achieve the goals identified in paragraph (2);

"(4) a description of the number of individuals to be served; and

"(5) assurances that the resources provided under this part shall be used to supplement and not supplant existing sources of funds.

"SEC. 266. TRANSFER OF FUNDS.

"A service delivery area may transfer up to 10 percent of the amounts allocated to the service delivery area under section 262(b) to the program under part A if such transfer is—

"(1) described in the job training plan; and

"(2) approved by the Governor.".

TITLE III—EMPLOYMENT AND TRAINING ASSISTANCE FOR DISLOCATED WORKERS

SEC. 301. STATE AGENCY APPROVAL.

Section 314(f) of the Act (29 U.S.C. 1661c(f)) is amended—

(1) by inserting "(1)" before "Funds"; and

(2) by adding at the end the following new paragraph:

"(2) An eligible dislocated worker participating in training (except for on-the-job training) under this title shall be deemed to be in

training with the approval of the State agency for purposes of section 3304(a)(8) of the Internal Revenue Code of 1986.".

SEC. 302. LIMITATIONS ON USES OF FUNDS.

(a) RETRAINING SERVICES.—Section 315(a)(1) of the Act (29 U.S.C. 1661d(a)(1)) is amended to read as follows:

"(a) RETRAINING SERVICES.—(1) Of the funds allocated to a substate grantee under part A of this title for any program year, not less than 50 percent shall be expended for retraining services specified under section 314(d).".

(b) NEEDS-RELATED PAYMENTS AND SUPPORTIVE SERVICES.—Section 315(b) of the Act is amended to read as follows:

"(b) Of the funds allocated to a substate grantee or to the Governor under part A of this title for any program year, not more than 25 percent may be expended to provide needs-related payments and other supportive services.".

(c) ADMINISTRATIVE COST.—The first sentence of section 315(c) of the Act is amended to read as follows: "Of the funds allocated to a substate grantee or to the Governor under part A of this title for any program year, not more than 15 percent may be expended to cover the administrative cost of programs.".

(d) COMBINATION OF FUNDS.—Section 315 of the Act is further amended by adding at the end the following new subsection:

"(d) COMBINATION OF FUNDS.—Substate grantees within a State may combine funds under this title for the provision of services to eligible dislocated workers from 2 or more substate areas.".

(e) REALLOTMENT.—Section 315 of the Act is further amended by adding at the end the following new subsection:

"(e) DEFINITION.—As used in this section, the term 'allocated', means allocated for a program year, as adjusted for reallocations between substate areas, and for reallotments in accordance with section 303.".

SEC. 303. DEMONSTRATION PROGRAMS.

Section 324(a) of the Act (29 U.S.C. 1662c(a)) is amended by striking "1989, 1990, and 1991," and inserting "1992 through 1996,".

TITLE IV—FEDERALLY ADMINISTERED PROGRAMS

SEC. 401. NATIVE AMERICAN AND MIGRANT PROGRAMS.

(a) PERFORMANCE STANDARDS.—Section 401(h)(1) of the Act (29 U.S.C. 1671(h)(1)) is amended by inserting "pursuant to section 106" after "performance standards".

(b) NATIVE AMERICAN PROGRAMS.—Section 401(j) of the Act (29 U.S.C. 1671(j)) is amended to read as follows:

"(j)(1) The Secretary shall designate a single organizational unit that shall have as its primary responsibility the administration of all Native American programs authorized under this Act.

"(2) Such organizational unit shall—

"(A) be responsible for administering the provisions of the Native American programs authorized under this Act, including monitoring such programs and making recommendations regarding the selection of the recipients of financial assistance;

"(B) be responsible for the development of the policies and procedures related to the implementation of such programs; and

"(C) coordinate the development of policy and procedures for the employment and training programs within the Department relating to services for Native American workers.

"(3) In the hiring and promotion of the professional staff for the organizational unit designated under paragraph (1), special consideration shall be given to individuals who have field experience in the daily operation of service and training programs for Native Americans, and individuals who are Indians or Alaskan Natives. The Secretary shall take such additional actions as may be necessary to promote the recruitment and promotion of Indians, Alaskan Natives, and Hawaiian Natives to positions in such unit.".

(c) PERMANENT ADVISORY COUNCIL.—Section 401 of the Act (29 U.S.C. 1671) is amended by adding at the end the following new subsection:

"(k)(1) There is hereby established a Native American Employment and Training Council (referred to in this subsection as the 'Council'), which shall consist of not fewer than 17 Indians, Alaskan Natives, and Hawaiian Natives appointed by the Secretary from among individuals nominated by Indian tribes or Indian, Alaskan Native, or Hawaiian Native organizations. The membership of the Council shall represent all geographic areas of the United States with a substantial Indian, Alaskan Native, or Hawaiian Native population and shall include representatives of tribal governments and of nonreservation Native American organizations who are service providers under this Act. A majority of the members of the Council shall have field experience in the daily operation of the program authorized under this section.

"(2) The Council shall select a chairperson from among its members by a majority vote. The Council shall meet not less often than twice each program year.

"(3) Members of the Native American Programs Advisory Committee that existed before the date of enactment of this subsection—

"(A) shall serve as members of the Council until their successors are appointed; and

"(B) may be appointed as members of the Council, if such appointment is consistent with the provisions of this subsection

"(4) Each member of the Council shall serve for a term of 2 years, except that—

"(A) one-half of the members initially appointed (as designated by the Secretary) shall serve for terms of 1 year;

"(B) any vacancy occurring in the membership of the Council shall be filled in the same manner as the original appointment, and shall not affect the power of the remaining members to execute the duties of the Council;

"(C) any member appointed to such a vacancy shall serve for the remainder of the term for which the predecessor of the member was appointed; and

"(D) members may be reappointed.

"(5) The initial membership of the Council shall be appointed not later than the beginning of program year 1993.

"(6) The Council shall—

"(A) solicit the views of a wide variety of Indian tribes and Native American groups, including groups operating employment and training programs funded under this section, on issues affecting the operation and administration of such programs;

"(B) advise the Secretary with respect to the implementation of programs under this section and other programs providing services to Native American youth and adults under this Act;

"(C) advise and make recommendations to the Secretary with respect to the design and implementation of performance standards developed under section 106(f);

"(D) advise and make recommendations to the Secretary with respect to the services obtained or to be obtained by the Department of Labor through contracts or arrangements with non-Federal agencies or entities that involve the program authorized by this section;

"(E) evaluate the effectiveness of Native American job training programs and make recommendations with respect to the improvement of such programs;

"(F) advise the Secretary with respect to individuals to be considered to fill the position of the official in charge of the organizational unit designated under subsection (j)(1) whenever a vacancy in such position occurs; and

"(G) prepare and submit directly to the Secretary and to the Congress, not later than January 1 of each even numbered year, a report containing information on the progress of Native American job training programs and recommendations for improving their administration and effectiveness.

"(7) Members of the Council shall serve without compensation. Each member of the Council shall receive travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

"(8) The Secretary shall provide the Council with such administrative support as may be necessary to perform its functions.".

(d) COMPETITION.—Section 401 of the Act (29 U.S.C. 1671), as amended by subsection (c), is further amended by adding at the end the following new subsection:

"(l) The competition for grants under this section shall be conducted every 2 years, except that if a recipient of such a grant has performed satisfactorily under the terms of the existing grant agreement, the Secretary may waive the requirement for such competition on receipt from the recipient of a satisfactory 2-year program plan for the succeeding 2-year grant period.".

(e) MIGRANT AND SEASONAL FARMWORKER PROGRAMS.—Section 402(c)(2) of the Act (29 U.S.C. 1672(c)(2)) is amended to read as follows:

"(c)(2) The competition for grants under this section shall be conducted every 2 years, except that if a recipient of such a grant has performed satisfactorily under the terms of the existing grant agreement, the Secretary may waive the requirement for such competition

upon receipt from the recipient of a satisfactory 2-year program plan for the succeeding 2-year grant period.".

(f) RESERVATION.—Section 402 of the Act (29 U.S.C. 1672) is amended by striking subsection (f).

(g) GRANT PROCEDURES.—Part A of title IV of the Act (29 U.S.C. 1671 et seq.) is amended by adding at the end the following new section:

"GRANT PROCEDURES

"SEC. 403. Grants under sections 401 and 402 shall be subject to the Single Audit Act of 1984 (31 U.S.C. 7501 et seq.) and charging of costs under such sections shall be subject to appropriate circulars issued by the Office of Management and Budget.".

SEC. 402. JOB CORPS.

(a) ELIGIBILITY.—Section 423(1) of the Act (29 U.S.C. 1693(1)) is amended by inserting after "except that", the following: "not more than 20 percent of the individuals enrolled may be age 22 through 24, and that either".

(b) CLARIFICATION OF AUTHORITY TO TRANSFER PARTICIPANTS TO AND FROM PROGRAMS UNDER TITLE II.—Section 426 of the Act (29 U.S.C. 1696) is amended by adding at the end the following new subsection:

"(d) Nothing in this Act shall be construed to prohibit an individual who has been a participant in the Job Corps from concurrently or subsequently participating in programs under title II, or to prohibit an individual who has been a participant in programs under title II from concurrently or subsequently participating in the Job Corps.".

(c) NONRESIDENTIAL PARTICIPANTS.—Section 427(a)(2) of the Act (29 U.S.C. 1697(a)(2)) is amended by—

(1) striking "10 percent" and inserting "20 percent"; and

(2) adding at the end the following new sentences: "In enrolling individuals who are to be nonresidential participants, priority shall be given to those eligible individuals who are single parents with dependent children. The Secretary shall not reduce the number of residential participants in Job Corps programs under this part during any program year below the number of residential participants during program year 1991 in order to increase the number of individuals who are nonresidential participants in the Job Corps.".

(d) CONSERVATION CENTERS.—Section 427 of the Act (29 U.S.C. 1697) is amended by adding at the end the following new subsection:

"(c) No funds appropriated to the Department of Labor for any fiscal year may be used to carry out any contract with a nongovernmental entity to administer or manage a Civilian Conservation Center of the Job Corps.".

(e) ADDITIONAL SUPPORT SERVICES REQUIRED.—Section 428 of the Act (29 U.S.C. 1698) is amended by adding at the end the following new subsections:

"(e) The Secretary shall, to the extent practicable, provide child care at or near Job Corps centers, for individuals who require child care for their children in order to participate in the Job Corps.

"(f) Each Job Corps center shall provide to enrollees who are dependent on, or who have a history of abuse of, alcohol or drugs, with counseling and referral to related services necessary to prevent the continuance or recurrence of such dependency or abuse.".

(f) MANAGEMENT FEES.—Section 437 of the Act (29 U.S.C. 1707) is amended by adding at the end the following new subsection:

"(d) The Secretary shall provide all Job Corps contractors with an equitable and negotiated management fee of not less than 1 percent of the contract amount.".

SEC. 403. NATIONAL ACTIVITIES.

(a) IN GENERAL.—Part D of title IV (29 U.S.C. 1731 et seq.) is amended—

(1) in section 451, to read as follows:

"NATIONAL PARTNERSHIP AND SPECIAL TRAINING PROGRAMS

"SEC. 451. (a) STATEMENT OF PURPOSE.—It is the purpose of this section to—

"(1) improve access to employment and training opportunities for individuals with special needs;

"(2) help alleviate skill shortages and enhance the competitiveness of the labor force;

"(3) meet special training needs that are best addressed on a multistate or industry-wide basis; and

"(4) encourage the participation and support of all segments of society to further the purposes of this Act.

"(b) PROGRAM AUTHORIZED.—The Secretary may establish a system of, and award, special grants to eligible entities to carry out programs that are most appropriately administered at the national level.

"(c) PROGRAMS.—Programs that are most appropriately administered at the national level include—

"(1) partnership programs with national organizations with special expertise in developing, organizing, and administering employment and training programs at the national, State, and local levels, such as industry and labor associations, public interest groups, community-based organizations representative of groups that encounter special difficulties in the labor market, and other organizations with special knowledge or capabilities in education and training;

"(2) programs that—

"(A) address industry-wide skill shortages;

"(B) meet training needs that are best addressed on a multistate basis; and

"(C) further the goals of increasing the competitiveness of the United States labor force; and

"(3) programs that require technical expertise available at the national level to serve specialized needs of particular client groups, including at-risk youth, offenders, individuals of limited-English language proficiency, individuals with disabilities, women, immigrants, single parents, substance abusers, displaced homemakers, youth, older individuals, veterans, school dropouts, public assistance recipients, and other individuals who the Secretary determines require special assistance.";

(2) in section 452, to read as follows:

"RESEARCH, DEMONSTRATION, AND EVALUATION

"SEC. 452. (a) STATEMENT OF PURPOSE.—It is the purpose of this section to assist the United States in expanding employment opportunities and ensuring access to such opportunities for all who desire such opportunities.

"(b) PROGRAM ESTABLISHED.—

"(1) IN GENERAL.—The Secretary shall establish a comprehensive program of training and employment research, utilizing the methods, techniques, and knowledge of the behavioral and social sciences and such other methods, techniques, and knowledge as will aid in the solution of the employment and training problems of the United States.

"(2) STUDIES.—The program established under this section may include studies concerning—

"(A) the development or improvement of Federal, State, local, and privately supported employment and training programs;

"(B) labor market processes and outcomes, including improving workplace literacy;

"(C) policies and programs to reduce unemployment and the relationships of the policies and programs with price stability and other national goals;

"(D) productivity of labor;

"(E) improved means of using projections of labor supply and demand, including occupational and skill requirements and areas of labor shortages at the national and subnational levels;

"(F) methods of improving the wages and employment opportunities of low-skilled, disadvantaged, and dislocated workers, and workers with obsolete skills;

"(G) methods of addressing the needs of at-risk populations, such as youth, homeless individuals and other dependent populations, older individuals, and other groups with multiple barriers to employment;

"(H) methods of developing information on immigration, international trade and competition, technological change, and labor shortages; and

"(I) methods of easing the transition from school to work, from transfer payment receipt to self-sufficiency, from one job to another, and from work to retirement.

"(c) PILOT AND DEMONSTRATION PROGRAMS.—

"(1) PROGRAM ESTABLISHED.—

"(A) IN GENERAL.—The Secretary shall establish a program of pilot and demonstration programs for the purpose of developing and improving techniques and demonstrating the effectiveness of specialized methods in addressing employment and training needs. The Secretary may award grants and enter into contracts with entities to carry out the programs.

"(B) PROJECTS.—Such programs may include projects in such areas as—

"(i) school-to-work transition;

"(ii) new methods of imparting literacy skills and basic education;

"(iii) new training techniques (including projects undertaken with the private sector);

"(iv) methods to eliminate artificial barriers to employment;

"(v) approaches that foster participation of groups that encounter special problems in the labor market (such as displaced homemakers, teen parents, welfare recipients, and older individuals);

"(vi) processes that demonstrate effective methods for alleviating the adverse effects of dislocations and plant closings on workers and their communities; and

"(vii) cooperative ventures among business, industry, labor, trade associations, community-based organizations or nonprofit organizations to develop new and cost-effective approaches to improving work force literacy.

"(2) EVALUATION COMPONENT.—Demonstration programs assisted under this subsection shall include a formal, rigorous evaluation component. Pilot programs assisted under this subsection shall include an appropriate evaluation component.

"(3) SPECIAL RULE.—No demonstration program under this subsection shall be assisted under this section for a period of more than 7 years. No pilot program under this subsection shall be assisted under this section for a period of more than 3 years.

"(d) EVALUATION.—

"(1) PROGRAMS.—

"(A) JOB TRAINING PROGRAMS.—The Secretary shall provide for the continuing evaluation of programs conducted under this Act, including the cost effectiveness of the program in achieving the purposes of this Act.

"(B) OTHER PROGRAMS.—The Secretary may conduct evaluations of other federally funded employment-related activities including programs administered under—

"(i) the Wagner-Peyser Act (29 U.S.C. 49 et seq.);

"(ii) the National Apprenticeship Act (29 U.S.C. 50 et seq.);

"(iii) the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.);

"(iv) chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.); and

"(v) the Federal unemployment insurance program under titles III, IX, and XII of the Social Security Act (42 U.S.C. 501 et seq., 1101 et seq., and 1321 et seq.).

"(2) TECHNIQUES.—

"(A) METHODS.—Evaluations conducted under paragraph (1) shall utilize sound statistical methods and techniques of the behavioral and social sciences, including random assignment methodologies if feasible.

"(B) ANALYSIS.—Such evaluations may include cost-benefit analysis of programs, the impact of the programs on community and participants, the extent to which programs

meet the needs of various demographic groups, and the effectiveness of the delivery systems used by various programs.

"(C) EFFECTIVENESS.—The Secretary shall evaluate the effectiveness of programs authorized under this Act with respect to—

"(i) the statutory goals;

"(ii) the performance standards established by the Secretary; and

"(iii) the extent to which such programs enhance the employment and earnings of participants, reduce income support costs, improve the employment competencies of participants in comparison to comparable persons who did not participate in such programs, and, to the extent feasible, increase the level of total employment over the level that would have existed in the absence of such programs.";

(3) in section 453, to read as follows:

"CAPACITY BUILDING, INFORMATION, DISSEMINATION, AND REPLICATION ACTIVITIES

"SEC. 453. (a) NATIONAL STRATEGY.—The Secretary shall develop a national strategy for carrying out the activities described in subsection (b)(2) and the replication of programs described in subsection (c), and shall ensure the implementation of the national strategy.

"(b) NETWORK.—

"(1) ESTABLISHMENT.—

"(A) IN GENERAL.—The Secretary shall establish a Capacity Building and Information and Dissemination Network (referred to in this section as the 'Network') to enhance the effectiveness of and to strengthen the caliber of services provided through programs authorized under this Act and other Federal, State, and local employment and training programs.

"(B) ADMINISTRATION.—The Secretary shall establish and maintain such Network—

"(i) directly;

"(ii) under an interagency agreement; or

"(iii) through a grant or contract awarded on a competitive basis to a single entity, or to a system of entities coordinated by the Secretary, with appropriate expertise.

"(2) ACTIVITIES.—The Network shall—

"(A) provide, coordinate, and support the development of, appropriate training, technical assistance, staff development, and other activities that will—

"(i) enhance the skills, knowledge, and expertise of the personnel who staff employment and training and other closely related human service systems, including service providers;

"(ii) improve the quality of services provided to individuals served under this Act and other Federal em-

ployment and training programs and encourage integrated service delivery under such programs using—

"(I) where cost effective, interactive communication systems and satellite technology; and

"(II) where possible, staff trained in a variety of Federal human resource programs;

"(iii) improve the planning, procurement, and contracting practices pursuant to this Act; and

"(iv) provide broad human services policy and planning training to—

"(I) private industry council volunteers; and

"(II) where appropriate, members of State human resource investment councils and other State councils;

"(B) prepare and disseminate staff training curricula and materials, primarily using computer-based technologies, for employment and training professionals and support staff, that focus on enhancing staff competencies and professionalism, including instruction on the administrative requirements of this Act, such as procurement and contracting standards and regulations; and

"(C)(i) identify, develop, disseminate, and provide training in the techniques learned from, innovative and successful program models, materials, methods, and information, by using computer-based technologies for organizing a data base and dissemination and communication system for the Network, and establishing a computer-based communications and dissemination methodology to share information among employment and training personnel and institutions; and

"(ii) in identifying such program models, ensure that consideration shall be given to—

"(I) the size and scope of the program;

"(II) the length of time that the program has been operating;

"(III) the nature and reliability of measurable outcomes for the program;

"(IV) the capacity of the sponsoring organization to provide the technical assistance necessary for States and service delivery areas to replicate the program; and

"(V) the likelihood that the program will be successful in diverse economic, geographic, and cultural environments.

"(3) CHARGES.—The Network may require cost-sharing to offset the actual costs of institute training, materials acquisition, or information dissemination. Any resulting income shall be used in accordance with section 141(m).

"(4) COORDINATION.—

"(A) IN GENERAL.—The Secretary shall consult with the Secretaries of Education and Health and Human Services, as appropriate, to coordinate the activities of the Network with other relevant institutes, centers, laboratories, clearinghouses, or dissemination networks, such as the National Diffusion Network.

"(B) COORDINATION WITH REPLICATION GRANT PROGRAM.—To the extent possible, the Network shall coordinate the activities of the Network with activities assisted under the replication grant program conducted under subsection (c).

"(c) REPLICATION.—

"(1) REPLICATION PROGRAM AUTHORIZED.—The Secretary shall make competitive grants to public or private nonprofit organizations for technical assistance, and to States and service delivery areas for planning and program development, to promote the replication of employment and training programs that are successful in improving the employment prospects of populations served under this Act and that are replicable on a large scale. In making such grants, the Secretary shall consider the recommendations described in paragraph (2)(B) of the review panel established under paragraph (2)(A) regarding such programs.

"(2) REVIEW PANEL.—

"(A) ESTABLISHMENT.—The Secretary shall establish a review panel comprised of not more than 6 individuals appointed by the Secretary who are recognized experts in the operation and evaluation of employment and training programs for economically disadvantaged youth and adults, and dislocated workers.

"(B) RECOMMENDATIONS.—The review panel shall make recommendations to the Secretary regarding model programs that the panel considers likely to be successful in improving such employment prospects of populations served under this Act and to be replicable on a large scale.

"(C) CONSIDERATIONS.—In recommending such programs the review panel shall use the considerations described in subsection (b)(2)(C)(ii).

"(D) MEETINGS.—The review panel shall meet not more than once each year to carry out the responsibilities described in this paragraph.

"(E) CONFLICT OF INTEREST.—No member of such panel shall have a direct financial interest in or affiliation with a potential recipient of funds under the program authorized by this section.

"(3) APPLICATIONS.—

"(A) NONPROFIT ORGANIZATION.—Any public or private nonprofit organization desiring to receive such a grant to provide the technical assistance necessary for program replication may submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(B) STATE; SERVICE DELIVERY AREA.—Any State or service delivery area desiring to receive such a grant for planning and program development associated with a replication effort shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(C) CONTENTS.—Each application described in subparagraph (A) or (B) shall contain—

"(i) a description of the program proposed for replication and available evidence of the success of the program in improving the employment prospects of economically disadvantaged youth and adults, and dislocated workers, within each such service delivery area; and

"(ii) in the case of applications described in subparagraph (A), an assurance that the organization will enter into an agreement with the service delivery areas in which the program is to be replicated, to participate in the replication program.

"(4) GRANT LIMITATIONS.—

"(A) LIMITATION.—In any 3-year period the Secretary shall not approve grants for the same replication activities in more than 10 States or communities. During such 3-year period, the results of such limited replication efforts shall be carefully evaluated and examined by the Secretary regarding the advisability of replicating the model program in more than 10 States or communities or for longer than 3 years.

"(B) WAIVER.—The Secretary may waive the limitation set forth in subparagraph (A) for a program if immediate replication efforts on a larger scale are warranted by extensive evaluation of the program prior to designation as a model program under this subsection.

"(5) COORDINATION.—To the extent possible, the Secretary shall coordinate the activities assisted under the replication grant program conducted under this subsection with the activities of the Network under subsection (b). The Secretary shall ensure that information on the programs replicated under this subsection shall be available through the Network.

"(d) MANAGEMENT CAPABILITY.—

"(1) GRANTS.—From the amounts reserved under section 3(c)(2)(B)(ii)(III) for each fiscal year to carry out this subsection, the Secretary may award grants to States for the purpose of assisting the States in carrying out the activities described in section 202(c)(1)(A).

"(2) ELIGIBILITY.—A State that receives an amount under section 202(c)(1)(A) for a fiscal year that is less than $500,000 shall be eligible to receive a grant under this subsection for the fiscal year.

"(3) AMOUNT OF GRANT.—The amount of a grant awarded to a State for a fiscal year under paragraph (1) shall not exceed the lesser of—

"(A) $100,000; or

"(B) the difference obtained by subtracting from $500,000 the amount received by the State for the fiscal year under section 202(c)(1)(A).

"(4) AWARD OF GRANTS.—In determining whether to award a grant to a State under paragraph (1), and in determining the amount of such a grant, the Secretary shall take into account the demonstrated need of the State to receive such a grant, as indicated by—

"(A) the number of service delivery areas in the State; and

"(B) the demonstrated insufficiency of resources of the State to administer State responsibilities under sections 121 and 122.

"(5) APPLICATION.—To be eligible to receive a grant under this subsection for a fiscal year, a State shall submit an application at such time, in such manner, and containing such information as the Secretary may require, including sufficient information to enable the Secretary to make the determinations described in paragraph (4).

"(6) USE OF FUNDS.—The Secretary shall make available to carry out subsections (b) and (c) any amounts reserved under section 3(c)(2)(B)(ii)(III) for a fiscal year and not expended to make grants under paragraph (1) for such year.";

(4) striking sections 454 through 456; and

(5)(A) redesignating section 457 as section 456; and

(B) striking the heading for section 456 (as redesignated by subparagraph (A)) and inserting "NONTRADITIONAL EMPLOYMENT DEMONSTRATION PROGRAM".

(b) TRAINING AND TECHNICAL ASSISTANCE.—Part D of title IV of the Act (29 U.S.C. 1671 et seq.) is amended by inserting after section 453 the following:

"GUIDANCE ON ELIGIBILITY VERIFICATION

"SEC. 454. (a) ESTABLISHMENT.—The Secretary shall provide guidance and technical assistance, to States and service delivery areas, relating to the documentation required to verify the eligibility of participants under parts A, B, and C of title II of this Act, particularly the hard-to-serve individuals specified in section 203(b) and subsections (b) and (d) of section 263. Such documentation shall, to the extent practicable, be uniform and standard.

"(b) GUIDANCE.—The guidance provided pursuant to subsection (a), while maintaining program integrity, shall—

"(1) limit the documentation burden to the minimum necessary to adequately verify such eligibility; and

"(2) ensure, to the extent practicable, that the documentation requirements shall not discourage the participation of eligible individuals.

"(c) CONTENTS.—The guidance provided pursuant to subsection (a) shall specifically address income eligibility, assessment, the determination regarding whether an individual is a hard-to-serve individual, and specific uniform or standardized documentation forms or procedures (including simplified standardized forms, automated intake procedures, and self-certification documents) and other documentation proxies (such as JOBS and Job Corps eligibility forms).

"(d) DATE.—The Secretary shall provide the guidance described in subsection (a) not later than December 18, 1992.".

SEC. 404. UNIFORM REQUIREMENTS.

(a) REPORTING; TRAINING NETWORK.—Part D of title IV of the Act (29 U.S.C. 1731 et seq.), is amended by inserting after section 454 (as added by section 403) the following new section:

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"UNIFORM REPORTING REQUIREMENTS

"SEC. 455. (a) FINDING.—Congress finds that closer coordination and more effective use of resources among a variety of employment and training programs can be facilitated if the programs have common data elements and definitions.

"(b) DATA ELEMENTS.—The Secretaries of Labor, Education, and Health and Human Services, in consultation with other appropriate departments and with the National Occupational Information Coordinating Committee, shall identify a core set of consistently defined data elements for employment and training programs, including those funded under titles II, III, and IV of this Act, the Wagner-Peyser Act (29 U.S.C. 49 et seq.), the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.), the JOBS program, and title V of the Older Americans Act of 1965 (42 U.S.C. 3056 et seq.).

"(c) REPORT.—The Secretary shall prepare and submit to Congress not later than January 1, 1994, a report listing recommended data elements and their definitions, and containing an analysis of the benefits of the adoption of the data elements and definitions.

"(d) CONSULTATION.—The Secretary shall consult with experts and practitioners, at the Federal, State, and local levels and in the various program areas, in fulfilling the requirements of this section. The Secretary shall also consult with the General Accounting Office in fulfilling the requirements of this section.".

SEC. 405. LABOR MARKET INFORMATION.

(a) COOPERATIVE LABOR MARKET INFORMATION.—Section 462 of the Act (29 U.S.C. 1752) is amended by adding at the end the following new subsection:

"(g)(1) Taking into consideration research previously conducted by the National Commission for Employment Policy and other entities, the Commissioner of Labor Statistics, in cooperation with the States, shall determine appropriate procedures for establishing a nationwide database containing information on the quarterly earnings, establishment and industry affiliation, and geographic location of employment, for all individuals for whom such information is collected by the States.

"(2) The Commissioner of Labor Statistics shall determine appropriate procedures for maintaining such information in a longitudinal manner and for making such information available for policy research or program evaluation purposes or both, while ensuring the confidentiality of information and the privacy of individuals.

"(3) The Secretary shall prepare and submit to the Congress, not later than 12 months after the date of enactment of the Job Training Reform Amendments of 1992, a report that shall describe the costs and benefits, including savings on program followup surveys, of a nationwide database containing the information described in paragraph (1) and a schedule that would allow for the establishment of such a database.

(b) SPECIAL FEDERAL RESPONSIBILITIES.—Section 463(a) of the Act (29 U.S.C. 1753(a)) is amended by inserting "the Secretary of Health and Human Services," after "the Secretary of Education,".

(c) NATIONAL OCCUPATIONAL INFORMATION COORDINATING COMMITTEE.—Section 464 of the Act (29 U.S.C. 1754) is amended—

(1) in subsection (a)—

(A) in paragraph (1) by striking "not more than $5,000,000" and inserting "$6,000,000"; and

(B) in paragraph (2) by striking "for Manpower, Reserve Affairs, and Logistics" and inserting "Force Management and Personnel"; and

(2) in subsection (b)—

(A) in paragraph (2) by inserting after "give special attention to the" the following: "career development and"; and

(B) in paragraph (5) by inserting after "any aspect of occupational and career information systems" the following: "and coordination and compatibility of human resources data systems operated by Federal agencies or the States, including systems to assist economic development activities and, where appropriate, provide support to States in the implementation of such system improvements.".

SEC. 406. ESTABLISHMENT OF THE YOUTH FAIR CHANCE PROGRAM.

Title IV of the Act (29 U.S.C. 1671 et seq.) is amended by adding at the end the following new part:

"PART H—YOUTH FAIR CHANCE PROGRAM

"SEC. 491. STATEMENT OF PURPOSE.

"It is the purpose of the Youth Fair Chance program under this part to—

"(1) ensure access to education and job training assistance for youth residing in high poverty areas of urban and rural communities;

"(2) provide a comprehensive range of education, training, and employment services to disadvantaged youth who are not currently served or are underserved by Federal education and job training programs;

"(3) enable communities with high concentrations of poverty to establish and meet goals for improving the opportunities available to youth within the community; and

"(4) facilitate the coordination of comprehensive services to serve youth in such communities.

"SEC. 492. PROGRAM AUTHORIZED.

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary is authorized to establish a national program of Youth Fair Chance grants to pay the Federal share attributable to this part of providing comprehensive services to youth living in high poverty areas in the cities and rural areas of the Nation.

"(b) ELIGIBILITY FOR GRANTS.—

"(1) RECIPIENTS.—The Secretary may only award grants under this part to—

"(A) the service delivery area (on behalf of the participating community) in which a target area is located;

"(B) in the case of a grant involving a target area located in an Indian reservation or Alaska Native village, the grantee designated under subsection (c) or (d) of section 401, or a consortium of such grantees and the State; or

"(C) in the case of a grant involving a target area located in a migrant or seasonal farmworker community, the grantee designated under section 402(c), or a consortium of such grantees and the State.

"(2) NUMBER OF GRANTS.—

"(A) IN GENERAL.—The Secretary may award not more than 25 grants during the first fiscal year that the program is authorized.

"(B) INDIAN RESERVATIONS AND ALASKA NATIVE VILLAGES.—In awarding grants under this part during the first 5 fiscal years that the program is assisted, the Secretary shall award—

"(i) at least 1 grant to a grantee or consortium described in paragraph (1)(B); and

"(ii) at least 1 grant to a grantee or consortium described in paragraph (1)(C).

"(c) RENEWABILITY OF GRANTS.—

"(1) IN GENERAL.—Grants awarded under this part shall be for a 1-year period. Such a grant shall be renewable for each of the 2 succeeding fiscal years if the Secretary determines the grant recipient complied with conditions of the grant during the previous fiscal year.

"(2) EXTENSION.—The Secretary may extend the renewal period set forth in paragraph (1) for an additional 2 fiscal years on reapplication.

"(d) FACTORS FOR AWARDS.—In awarding grants under this part, the Secretary shall consider the quality of the proposed project, the goals to be achieved, the likelihood of successful implementation, the extent of community support, other Federal and non-Federal funds available for similar purposes, and additional State, local, or private resources that will be provided. The Secretary shall give priority to participating communities with the highest poverty rates.

"SEC. 493. APPLICATION.

"(a) ELIGIBILITY TO APPLY.—Participating communities that have the highest concentrations of poverty, as determined by the Secretary based on the latest Bureau of the Census estimates, shall be eligible to apply for a Youth Fair Chance grant.

"(b) CONTENTS OF APPLICATION.—

"(1) IN GENERAL.—Each participating community desiring a grant under this part shall, through the individuals set forth in subsection (c), submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"(2) CONTENTS.—Each such application shall—

"(A) include a comprehensive plan for the Youth Fair Chance initiative designed to achieve identifiable goals for youth in the target area;

"(B) set forth measurable program goals and outcomes, which may include increasing the proportion of—

"(i) youth completing high school or its equivalent;

"(ii) youth entering into postsecondary institutions, apprenticeships, or other advanced training programs;

"(iii) youth placed in jobs; or

"(iv) youth participating in education, training, and employment services;

"(C) include supporting goals for the target area such as increasing security and safety, or reducing the number of drug-related arrests;

"(D) provide assurances that the applicant will comply with the terms of the agreement described in section 494;

"(E) demonstrate how the participating community will make use of the resources, expertise, and commitment of institutions of higher education, educational agencies, and vocational and technical schools and institutes;

"(F) provide an assurance that all youth in the target areas will have access to a coordinated and comprehensive range of education and training opportunities that serve the broadest range of youth interests and needs and simultaneously mobilizes the diverse range of education and training providers in the participating community;

"(G) provide assurances that the youth in the target area will have access to supportive services necessary for successful participation, including such services as child care, transportation, and assistance in resolving personal or family crises, such as crises related to substance abuse, homelessness, migration, and family violence;

"(H) include a description of a system of common intake procedures or sites, individualized assessment, and case management to be used by the program;

"(I) demonstrate how the participating community will make use of the resources, expertise, and commitment of such programs and service providers as—

"(i) community-based organizations providing vocational skills, literacy skills, remedial education, and general equivalency preparation, including community-based organizations serving youth with limited-English proficiency;

"(ii) youth corps programs, including youth conservation and human service corps;

"(iii) Job Corps centers;

"(iv) apprenticeship programs; and

"(v) other projects and programs funded under this Act;

"(J) include an estimate of the expected number of youth in the target area to be served;

"(K) include a description of the resources available in the participating community from private, local government, State, and Federal sources that will be used to achieve the goals of the program;

"(L) include an estimate of funds required to ensure access to appropriate education, training, and support services for all youth in the target area who seek such opportunities; and

"(M) provide evidence of support for accomplishing the stated goals of the participating community from—

"(i) local elected officials;

"(ii) the local school system;

"(iii) appropriate postsecondary education and training institutions;

"(iv) the applicable private industry council;

"(v) local community leaders;

"(vi) business;

"(vii) labor organizations; and

"(viii) other appropriate organizations.

"(c) SUBMISSION OF APPLICATION.—The application for funds described in subsection (b) may only be submitted to the Secretary on behalf of a participating community by—

"(1) the mayor of a city or the chief elected official in a metropolitan statistical area, after the Governor of the State has had an opportunity to comment on the application;

"(2) the chief elected official of a nonmetropolitan county or the designated chief elected official of contiguous nonmetropolitan counties, after the Governor of the State has had an opportunity to comment on the application; or

"(3) a grantee or consortium described in subparagraph (B) or (C) of section 492(b)(1) in applications for Native American or migrant or seasonal farmworker communities, respectively.

"SEC. 494. GRANT AGREEMENT.

"(a) IN GENERAL.—Each grant recipient receiving a grant under this part on behalf of a participating community shall enter into an agreement with the Secretary.

"(b) CONTENTS.—Each such agreement shall—

"(1) designate a target area that—

"(A) will be the focus of the demonstration project; and

"(B) shall have a population of—

"(i) not more than 25,000; or

"(ii) in an appropriate case, not more than 50,000,

except that in the event that the population of an area from which a high school draws a substantial portion of its enrollment exceeds either limit, the target area may encompass such boundary;

"(2) contain assurances that funds provided under this part will be used to support education, training, and supportive activities selected from a set of youth program models designated by the Secretary or from alternative models described in the application and approved by the Secretary, such as—

"(A) nonresidential learning centers;

"(B) alternative schools;

"(C) combined activities including summer remediation, work experience and work readiness training, and school-to-work, apprenticeship, or postsecondary education programs;

"(D) teen parent programs;

"(E) special programs administered by community colleges;

"(F) youth centers;

"(G) initiatives aimed at increased rural student enrollment in postsecondary institutions;

"(H) public-private collaborations to assure private sector employment and continued learning opportunities for youth; and

"(I) initiatives, such as youth corps programs, that combine community and youth service opportunities with education and training activities;

"(3) provide that funds received under this part will be used for services to youth ages 14 through 21 at the time of enrollment;

"(4) contain assurances that the local educational agency and any other educational agency that operates secondary schools in the target area shall provide such activities and resources as are necessary to achieve the educational goals specified in the application;

"(5) contain assurances that the participating community will provide such activities and local resources as are necessary to achieve the goals specified in the application;

"(6) contain assurances that the participating community will undertake outreach and recruitment efforts in the target area to encourage, to the maximum extent possible, participation by the disadvantaged youth who are currently unserved, or underserved, by education and training programs, including targeted measures specifically designed to enlist the participation of youth, particularly males, under the jurisdiction of the child welfare, juvenile justice, and criminal justice systems;

"(7) provide that the participating community will carry out special efforts to establish coordination with Federal, State, or local programs that serve the target population;

"(8) provide assurances that funds provided under this part for a fiscal year will be used only to pay the Federal share attributable to this part of the cost of programs and services not otherwise available in the target area and will supplement, and not supplant, funding from other local, State, and Federal sources available to youth in the target area during the previous year; and

"(9) permit funds provided under this part to be used to support paid work experience programs if such programs are combined with other education and training activities.

"SEC. 495. JOB GUARANTEES.

"(a) PROGRAM AUTHORITY.—The Secretary shall permit a reasonable number of the grant recipients under this part to enter into an agreement to provide, in accordance with this section, a job guarantee program to youths meeting prior school attendance and performance standards.

"(b) GUARANTEE AGREEMENTS.—A grant recipient providing such a job guarantee program shall enter into an agreement with the Secretary, which agreement shall—

"(1) provide that the program be available to youth age 16 to 19 who undertake a commitment to continue and complete their high school education;

"(2) require the grant recipient to guarantee employment to each youth undertaking the commitment if such youth meets school attendance and performance standards for the previous school semester, as established by the Secretary in consultation with the Secretary of Education;

"(3) provide that the grant recipient will make additional services available to support the undertaking of any such youth, which shall include counseling, job development and placement, and supportive services (including child care and transportation);

"(4) specify the conditions under which funds provided under this part may be used to provide wage subsidies of up to 50 percent through employers, which conditions shall—

"(A) encourage subsidies to employers who provide advanced or specialized training, or who provide a structured and integrated learning experience involving the school and employer; and

"(B) limit the duration of such subsidies to not more than 1 year;

"(5) require that the employment provided to any such youth shall not exceed 15 hours per week during the school year;

"(6) permit employment to continue through the summer following high school graduation, or until the youth reaches age 19, whichever is later; and

"(7) contain such other terms and conditions as the Secretary requires by regulation.

"(c) SELECTION OF GRANT RECIPIENTS.—In determining which grant recipients to permit to enter an agreement under this section, the Secretary shall seek to target funds to areas with the highest poverty rates.

"(d) YOUTH ELIGIBILITY.—All youth, regardless of income, residing in an eligible high poverty area shall be eligible to participate in the job guarantee program.

"(e) PRIVATE FUNDS.—Nothing in this section shall be construed to prohibit the grant recipient from raising funds to augment such grant if such funds are utilized under the conditions of the grant, except that such funds shall not be used for administration.

"SEC. 496. PAYMENTS; FEDERAL SHARE.

"(a) PAYMENTS REQUIRED.—In any fiscal year, the amount of a grant awarded under this part shall be based on the size of the target area and the extent of the poverty in such area, and shall be of sufficient size and scope to carry out an effective program under this part.

"(b) FEDERAL SHARE.—The Federal share attributable to this part of the cost of providing comprehensive services as provided in section 492(a) shall be not less than 70 percent for each fiscal year a grant recipient receives assistance under this Act.

"(c) OTHER FEDERAL SOURCES.—In providing for the remaining share of such cost, each grant recipient may provide not more than 20 percent of such cost from Federal sources other than funds received pursuant to this part.

"(d) NON-FEDERAL SHARE.—A grant recipient shall provide non-Federal funds in an amount not less than 10 percent of such cost, an in-kind contribution equivalent to such percent (as determined by the Secretary), or a combination thereof.

"SEC. 497. REPORTING.

"The Secretary is authorized to establish such reporting procedures as are necessary to carry out the purposes of this part.

"SEC. 498. FEDERAL RESPONSIBILITIES.

"(a) IN GENERAL.—The Secretary shall provide assistance to participating communities in implementing the projects assisted under this part.

"(b) INDEPENDENT EVALUATION.—

"(1) IN GENERAL.—The Secretary shall provide for a thorough, independent evaluation of the Youth Fair Chance program to assess the outcomes of youth participating in programs assisted under this part.

"(2) EVALUATION MEASURES.—In conducting the evaluation described in paragraph (1) the Secretary shall include an assessment of—

"(A) the impact on youth residing in target areas, including the rates of school completion, enrollment in advanced education or training, and employment of the youth;

"(B) the extent to which participating communities fulfilled the goal of guaranteed access to appropriate education, training, and supportive services to all eligible youth residing in target areas who seek to participate;

"(C) the effectiveness of guaranteed access to comprehensive services combined with outreach and recruitment efforts in enlisting the participation of previously unserved or underserved youth residing in target areas;

"(D) the effectiveness of efforts to integrate service delivery in target areas, including systems of common intake, assessment, and case management; and

"(E) the feasibility of extending guaranteed access to comprehensive education, training and support services for youth in all areas of the United States, including possible approaches to incremental extension of such access over time.

"(c) REPORT.—The Secretary shall prepare a report detailing the results of the independent evaluation described in subsection (b) and shall submit such report to the Congress not later than December 31, 1996, along with an analysis of expenditures made, results achieved, and problems in the operations and coordination of programs assisted under this part.

"(d) RESERVATION OF FUNDS.—The Secretary may reserve not more than 5 percent of the amount appropriated under this part in each fiscal year to carry out the provisions of this section.

"SEC. 498A. DEFINITIONS.

"For the purposes of this part—

"(1) PARTICIPATING COMMUNITY.—The term 'participating community'—

"(A) in the case of a community conducting a project in an urban area, means a city in a metropolitan statistical area;

"(B) in the case of a community conducting a project in a rural area, means a nonmetropolitan county or contiguous nonmetropolitan counties;

"(C) in the case of a community conducting a project in an Indian reservation or Alaska Native village, the grantee

designated under subsection (c) or (d) of section 401, or a consortium of such grantees and the State; or

"(D) in the case of a community conducting a project in a migrant or seasonal farmworker community, the grantee designated under section 402(c), or a consortium of such grantees and the State.

"(2) HIGH POVERTY AREA.—The term 'high poverty area' means an urban census tract, a nonmetropolitan county, a Native American Indian reservation, or an Alaska Native village, with a poverty rate of 30 percent or more, as determined by the Bureau of the Census, or a migrant or seasonal farmworker community.

"(3) TARGET AREA.—The term 'target area' means a high poverty area or set of contiguous high poverty areas that will be the focus of the program in each participating community.".

SEC. 407. ESTABLISHMENT OF THE MICROENTERPRISE GRANTS PROGRAM.

Title IV of the Act (29 U.S.C. 1671 et seq.), as amended by section 406, is further amended by adding at the end the following new part.

"PART I—MICROENTERPRISE GRANTS PROGRAM

"SEC. 499. MICROENTERPRISE GRANTS.

"(a) PROGRAM AUTHORITY.—From the amount appropriated to carry out this section for fiscal years 1993 through 1997, the Secretary of Labor shall make grants of not more than $500,000 per year to not more than 10 States per year to implement and enhance community-based microenterprise activities. Such grants shall be an amount adequate to ensure that the activities will be of sufficient size and scope to produce substantial benefits. Such activities shall be for the benefit of economically disadvantaged persons.

"(b) USE OF FUNDS.—Such funds shall be used, notwithstanding section 141(q)—

"(1) to train program staff in such entrepreneurial activities as business plan development, business management, resource inventory design, and marketing approaches, and other activities necessary to provide effective entry level training to persons developing a microenterprise;

"(2) to provide to owners or potential owners of a microenterprise such technical assistance (including technical assistance with respect to business planning, securing funding, marketing, and production of marketing materials) and other assistance as may be necessary to develop microenterprise activities; and

"(3) to provide microenterprise support (such as peer support programs and counseling).

"(c) APPLICATION AND SELECTION.—The Secretary shall award grants competitively under this section on the basis of—

"(1) the State commitment, as evidenced by existing or proposed related programs and support;

"(2) evidence of ability to conduct and monitor the microenterprise activities;

"(3) evidence of linkage to private, community-based credit and technical assistance providers; and

"(4) size of the non-Federal match.

"(d) TIMING.—Not later than April 1 of any fiscal year, a State may submit to the Secretary an application. Not later than the following June 1, the Secretary shall approve not more than 10 of the applications. Not later than the following July 1, the Secretary shall authorize the applicant to begin the programs. The Secretary may consider making multiyear grants.

"(e) MATCHING REQUIREMENT.—

"(1) IN GENERAL.—No State shall receive a grant under this section unless the State agrees to provide, to carry out the microenterprise programs, non-Federal contributions in an amount equal to 100 percent of Federal funds provided under such grant.

"(2) DETERMINATION.—The non-Federal contribution may be in cash or in-kind, fairly evaluated, including plant, equipment, or services.

"(f) REPORTS.—Each State receiving a grant under this section shall, for each fiscal year for which funds are received, submit to the Secretary a report that describes—

"(1) the programs that have been established and developed with such funds, including a description of the persons participating and the microenterprises developed;

"(2) the quantitative and qualitative benefits of such programs; and

"(3) the contributions of such programs to economic self-sufficiency and economic development.

"(g) DEFINITIONS.—As used in this section:

"(1) MICROENTERPRISE.—The term 'microenterprise' means a commercial enterprise if—

"(A) the enterprise has 5 or fewer employees, 1 or more of whom owns the enterprise; and

"(B) each of the owners of the enterprise is economically disadvantaged.

"(2) STATE.—The term 'State' includes—

"(A) in the case of a community conducting a project in an Indian reservation or Alaska Native village, the grantee designated under subsection (c) or (d) of section 401, or a consortium of such grantees and the State; and

"(B) in the case of a community conducting a project in a migrant or seasonal farmworker community, the grantee designated under section 402(c), or a consortium of such grantees and the State.".

SEC. 408. ESTABLISHMENT OF THE DISASTER RELIEF PROGRAM.

Title IV of the Act (29 U.S.C. 1671 et seq.), as amended by sections 406 and 407, is further amended by adding at the end the following new part:

"PART J—DISASTER RELIEF EMPLOYMENT ASSISTANCE

"SEC. 499A. GENERAL AUTHORITY.

"(a) QUALIFICATION FOR FUNDS.—Funds appropriated to carry out this part shall be made available in a timely manner by the Secretary to the Governor of any State within which is located an area that has suffered an emergency or a major disaster as defined in paragraphs (1) and (2), respectively, of section 102 of the Disaster

Relief Act of 1974 (42 U.S.C. 5122 (1) and (2)) (referred to in this part as the 'disaster area').

"(b) SUBSTATE ALLOCATION.—Not less than 80 percent of the funds made available to any Governor under subsection (a) shall be allocated by the Governor to units of general local government located, in whole or in part, within such disaster areas. The remainder of such funds may be reserved by the Governor for use, in concert with State agencies, in cleanup, rescue, repair, renovation, and rebuilding activities associated with such major disaster.

"(c) COORDINATION—Funds made available under this part to Governors and units of general local government shall be expended in consultation with—

"(1) agencies administering programs for disaster relief provided under the Disaster Relief Act of 1974; and

"(2) the administrative entity and the private industry council in each service delivery area within which disaster employment programs will be conducted under this part.

"SEC. 499B. USE OF FUNDS.

"(a) PROJECTS RESTRICTED TO DISASTER AREAS.—Funds made available under this part to any unit of general local government in a disaster area—

"(1) shall be used exclusively to provide employment on projects to provide food, clothing, shelter, and other humanitarian assistance for disaster victims and on projects regarding demolition, cleanup, repair, renovation, and reconstruction of damaged and destroyed structures, facilities, and lands located within the disaster area; and

"(2) may be expended through public and private agencies and organizations engaged in such projects.

"(b) ELIGIBLE PARTICIPANTS.—An individual shall be eligible to be offered disaster employment under this part if such individual is—

"(1)(A) eligible to participate or enroll, or is a participant or enrolled, under title III of this Act, other than an individual who is actively engaged in a training program; or

"(B) eligible to participate in programs or activities assisted under section 401 or 402; and

"(2) unemployed as a consequence of the disaster.

"(c) LIMITATIONS ON DISASTER RELIEF EMPLOYMENT.—No individual shall be employed under this part for more than 6 months for work related to recovery from a single natural disaster.

"(d) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to promote the fiscal integrity of programs conducted with funds made available under this part.

"SEC. 499C. DEFINITIONS.

"As used in this part, the term 'unit of general local government' includes—

"(1) in the case of a community conducting a project in an Indian reservation or Alaska Native village, the grantee designated under subsection (c) or (d) of section 401, or a consortium of such grantees and the State; and

"(2) in the case of a community conducting a project in a migrant or seasonal farmworker community, the grantee designat-

ed under section 402(c), or a consortium of such grantees and the State.".

TITLE V—JOBS FOR EMPLOYABLE DEPENDENT INDIVIDUALS INCENTIVE BONUS PROGRAM

SEC. 501. JOBS FOR EMPLOYABLE DEPENDENT INDIVIDUALS.

Title V of the Act (29 U.S.C. 1791 et seq.) is amended to read as follows:

"TITLE V—JOBS FOR EMPLOYABLE DEPENDENT INDIVIDUALS INCENTIVE BONUS PROGRAM

"SEC. 501. STATEMENT OF PURPOSE.

"It is the purpose of this title to provide incentives to reduce welfare dependency, promote self-sufficiency, increase child support payments, and increase employment and earnings of individuals by providing to each participating State a bonus for providing job training to—

"(1) absent parents of children receiving aid to families with dependent children under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.), who subsequent to such training pay child support for their children; and

"(2) blind or disabled individuals receiving supplemental security income under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.), who subsequent to such training are successfully placed in and retain employment.

"SEC. 502. PAYMENTS.

"(a) IN GENERAL.—For each program year for which funds are appropriated to carry out this title, the Secretary shall pay to each participating State the amount that State is eligible to receive under this title.

"(b) RATABLE REDUCTIONS.—If the amount so appropriated is not sufficient to pay each State the amount each State is eligible to receive, the Secretary shall ratably reduce the amount paid to each State.

"(c) RATABLE INCREASES.—If any additional amount is made available for carrying out this title for any program year after the application of subsection (b), such additional amount shall be allocated among the States by increasing such payments in the same manner as they were reduced, except that no such State shall be paid an amount that exceeds the amount that the State is eligible to receive under this title.

"(d) REPROGRAMMING.—If the amount appropriated for a program year is in excess of the amount necessary to pay each State the amount each State is eligible to receive, the Secretary shall allot the excess amount to the States for allocation to the service delivery areas in accordance with section 202 to carry out part A of title II.

"SEC. 503. AMOUNT OF INCENTIVE BONUS.

"The amount of the incentive bonus paid to each State shall be the sum of—

"(1) an amount equal to the total of the amounts of child support paid by each individual eligible under section 506(1) within the State, for up to 2 years after the termination of the individual from activities provided under this Act; and

"(2) an amount equal to the total reduction in the Federal contribution to the amounts received under title XVI of the Social Security Act (42 U.S.C. 1381 et seq.) by each individual eligible under section 506(2) within the State, for up to 2 years after the termination of the individual from activities provided under this Act.

"SEC. 504. USE OF INCENTIVE BONUS FUNDS.

"(a) IN GENERAL.—

"(1) ALLOCATION.—

"(A) ADMINISTRATIVE COSTS.—During any program year, the Governor may use an amount not to exceed 5 percent of the total bonus payments of a State for administrative costs incurred under this title, including data and information collection and compilation, recordkeeping, or the preparation of applications for incentive bonuses.

"(B) DISTRIBUTION OF PAYMENTS.—The amount of incentive bonus payments that remains after the deduction of administrative costs under subparagraph (A) shall be distributed to service delivery areas and Job Corps centers within the State in accordance with an agreement between the Governor and representatives of such areas and centers. Such agreement shall reflect an equitable method of distribution that is based on the degree to which the efforts of such area or center contributed to the qualification of the State for an incentive bonus payment under this title.

"(2) SPECIAL RULE.—Not more than 10 percent of the amounts received under this title in any program year by each service delivery area and Job Corps center may be used for the administrative costs of establishing and maintaining systems necessary for operation of programs under this title, including the costs of providing incentive payments described in subsection (b), technical assistance, data and information collection and compilation, management information systems, post-program followup activities, and research and evaluation activities. The balance of funds not so expended shall be used by each service delivery area for activities described in sections 204 and 264, and by each Job Corps center for activities authorized under part B of title IV.

"(b) INCENTIVE PAYMENTS TO SERVICE PROVIDERS.—Each service delivery area or Job Corps center may make incentive payments to service providers, including participating State and local agencies, and community-based organizations, that demonstrate effectiveness in delivering employment and training services to individuals such as those described in section 506.

"(c) APPLICATION OF SECTION RELATING TO ADMINISTRATIVE ADJUDICATIONS.—Section 166 (relating to administrative adjudication)

shall apply to the distribution of incentive bonus payments under this section.

"SEC. 505. NOTICE AND APPLICATION.

"(a) NOTICE OF INTENT TO PARTICIPATE.—Any State seeking to participate in the incentive bonus program established under this title shall notify the Secretary of the intent of the State to participate not later than 30 days before the beginning of the first program year of participation.

"(b) APPLICATION.—

"(1) IN GENERAL.—Any State seeking to receive an incentive bonus under this title shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require in order to ensure compliance with this title.

"(2) CONTENTS.—Each such application shall contain, at a minimum—

"(A) a list of the eligible individuals in the State who satisfied the requirements of section 506 during the program year;

"(B) the amount of the incentive bonus attributable to each eligible individual and due the State under section 503; and

"(C) certification that documentation is available to verify the eligibility of participants and the amount of the incentive bonus claimed by the State.

"(c) NOTICE OF APPROVAL OR DENIAL.—The Secretary shall promptly inform a State after receipt of the application as to whether or not the application of the State has been approved.

"SEC. 506. ELIGIBILITY FOR INCENTIVE BONUSES.

"An individual shall be eligible to participate in a program established under this title if—

"(1) the individual—

"(A) was an absent parent of any child receiving aid to families with dependent children under part A of title IV of the Social Security Act at the time such individual was determined to be eligible to participate in activities provided under this Act;

"(B) has participated in education, training or other activities (including the Job Corps) provided under this Act; and

"(C) pays child support for a child specified in subparagraph (A) following termination from activities provided under this Act; or

"(2) the individual—

"(A) is blind or disabled;

"(B) was receiving benefits under title XVI of the Social Security Act (relating to supplemental security income) at the time such individual was determined to be eligible to participate in activities under this Act;

"(C) has participated in education, training, or other activities (including the Job Corps) provided under this Act; and

"(D) earns from employment a wage or income.

"SEC. 507. INFORMATION AND DATA COLLECTION.

"(a) TECHNICAL ASSISTANCE.—In order to facilitate the collection, exchange, and compilation of data and information required by this title, the Secretary is authorized to provide technical assistance to the States. Such assistance may include cost-effective methods for using State and Federal records to which the Secretary has lawful access.

"(b) JOINT REGULATIONS.—

"(1) IN GENERAL.—The Secretary and the Secretary of Health and Human Services shall jointly issue regulations regarding the sharing, among public agencies participating in the programs assisted under this title, of the data and information necessary to fulfill the requirements of this title.

"(2) SUBJECTS.—Such regulations shall ensure—

"(A) the availability of information necessary to verify the eligibility of participants and the amount of the incentive bonus payable; and

"(B) the maintenance of confidentiality of the information so shared in accordance with Federal and State privacy laws.

"SEC. 508. EVALUATION AND REPORT.

"(a) EVALUATION.—

"(1) IN GENERAL.—The Secretary shall conduct or provide for an evaluation of the incentive bonus program assisted under this title.

"(2) CONSIDERATIONS.—The Secretary shall consider—

"(A) whether the program results in increased service under this Act to absent parents of children receiving aid to families with dependent children under part A of title IV of the Social Security Act and to recipients of supplemental security income under title XVI of the Social Security Act;

"(B) whether the program results in increased child support payments;

"(C) whether the program is administratively feasible and cost effective;

"(D) whether the services provided to other eligible participants under part A of title II are affected by the implementation and operation of the incentive bonus program; and

"(E) such other factors as the Secretary determines to be appropriate.

"(b) REPORT TO CONGRESS.—Not later than January 1, 1997, the Secretary shall submit a report to the appropriate committees of the Congress on the effectiveness of the incentive bonus program assisted under this title. Such report shall include an analysis of the costs of such program and the results of program activities.

"SEC. 509. IMPLEMENTING REGULATIONS.

"The Secretary shall promulgate regulations implementing this title not later than January 31, 1993.".

TITLE VI—STATE HUMAN RESOURCE INVESTMENT COUNCIL

SEC. 601. STATE HUMAN RESOURCE INVESTMENT COUNCIL

(a) IN GENERAL.—The Act (29 U.S.C. 1501 et seq.) is amended by adding at the end the following new title:

"TITLE VII—STATE HUMAN RESOURCE INVESTMENT COUNCIL

"SEC. 701. ESTABLISHMENT AND FUNCTIONS.

"(a) IN GENERAL.—Each State may, in accordance with the requirements of this title, establish a single State human resource investment council (in this title referred to as the 'State Council') that—

"(1) shall review the provision of services and the use of funds and resources under applicable Federal human resource programs and advise the Governor on methods of coordinating such provision of services and use of funds and resources consistent with the laws and regulations governing such programs;

"(2) shall advise the Governor on the development and implementation of State and local standards and measures relating to applicable Federal human resource programs and coordination of such standards and measures;

"(3) shall carry out the duties and functions prescribed for existing State councils described under the laws relating to the applicable Federal human resource programs;

"(4) may identify the human investment needs in the State and recommend to the Governor goals for meeting such needs;

"(5) may recommend to the Governor goals for the development and coordination of the human resource system in the State;

"(6) may prepare and recommend to the Governor a strategic plan to accomplish the goals developed pursuant to paragraphs (4) and (5); and

"(7) may monitor the implementation of and evaluate the effectiveness of the strategic plan prepared pursuant to paragraph (6).

"(b) APPLICABLE FEDERAL HUMAN RESOURCE PROGRAM DEFINED.—

"(1) IN GENERAL.—(A) Except as provided in subparagraph (B), for purposes of this title, the term 'applicable Federal human resource program' includes any program authorized under the provisions of law described under paragraph (2)(A) that the Governor and the head of the State agency responsible for the administration of such program jointly agree to include within the jurisdiction of the State Council.

"(B) With respect to a program authorized under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.) under paragraph (2)(A)(ii), the term 'applicable Federal human resource program' shall only apply to such

program if, in addition to meeting the requirements of subparagraph (A), the State council on vocational education agrees to include such program under the jurisdiction of the State Council.

"(2) PROGRAMS.—In accordance with the requirements of paragraph (1), applicable Federal human resource programs—

"(A) may include the programs authorized under—

"(i) this Act;

"(ii) the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.);

"(iii) the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.);

"(iv) the Adult Education Act (20 U.S.C. 1201 et seq.);

"(v) the Wagner-Peyser Act (29 U.S.C. 49 et seq.);

"(vi) part F of title IV of the Social Security Act (42 U.S.C. 681 et seq.); and

"(vii) the employment program established under section 6(d)(4) of the Food Stamp Act of 1977 (7 U.S.C. 2015(d)(4)); and

"(B) may not include programs authorized under the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.).

"SEC. 702. COMPOSITION.

"(a) IN GENERAL.—Each State Council shall be composed as follows:

"(1) Each State Council shall include the head of each State agency responsible for the administration of an applicable Federal human resource program.

"(2)(A) Each State Council shall include one or more representatives, appointed by the Governor to the State Council for a minimum of 2 years, from each of the following:

"(i) Local public education.

"(ii) A postsecondary institution.

"(iii) A secondary or postsecondary vocational educational institution.

"(iv) A community-based organization.

"(B) The total number of representatives appointed under clause (i), (ii), and (iii) of subparagraph (A) shall constitute not less than 15 percent of the membership of the State Council.

"(3)(A) Each State Council shall include individuals, appointed by the Governor to the State Council for a minimum of 2 years, from among the following:

"(i) Representatives of business and industry, who shall constitute not less than 15 percent of the membership of the State Council, including individuals who are representatives of business and industry on private industry councils established within the State under section 102.

"(ii) Representatives of organized labor who—

"(I) shall be selected from among individuals nominated by recognized State labor federations; and

"(II) shall constitute not less than 15 percent of the membership of the State Council.

"(B) If the State labor federation fails to nominate a sufficient number of individuals under subclause (I) of subparagraph (A)(ii) to satisfy the requirement under subclause (II) of such subparagraph, individual workers may be included on the State Council to satisfy such requirement.

"(b) ADDITIONAL MEMBERS.—Each State Council may also include additional qualified members, who may be selected from—

"(1) representatives from local welfare agencies;

"(2) representatives from public housing agencies;

"(3) representatives from units of general local government or consortia of such units, appointed from nominations made by the chief elected officials of such units or consortia;

"(4) representatives from the State legislature;

"(5) representatives from any State or local program that receives funding under an applicable Federal human resource program that the Governor determines to have a direct interest in the utilization of human resources within the State; and

"(6) individuals who have special knowledge and qualifications with respect to special education and career development needs of hard-to-serve individuals.

"(c) ADDITIONAL REQUIREMENTS.—

"(1) PERCENTAGE LIMITATION.—None of the following categories of individuals may constitute more than 60 percent of the membership of each State Council:

"(A) Individuals selected under subsection (a)(1).

"(B) Individuals appointed under subsection (a)(2).

"(C) Individuals appointed under subsection (a)(3)(A)(i).

"(D) Individuals appointed under subsection (a)(3)(A)(ii).

"(E) Individuals selected under subsection (b).

"(2) EXPERTISE.—The Governor shall ensure that both the State Council and the staff of the State Council have sufficient expertise to effectively carry out the duties and functions of existing State councils described under the laws relating to the applicable Federal human resource programs. Such expertise shall include, where appropriate, knowledge of—

"(A) the long-term needs of individuals preparing to enter the workforce;

"(B) the needs of local, State, and regional labor markets; and

"(C) the methods for evaluating the effectiveness of vocational training programs in serving varying populations.

"SEC. 703. ADMINISTRATION.

"(a) FUNDING.—In order to carry out the functions of the State Council, each State establishing a State Council that meets the requirements of this title may—

"(1) use funds otherwise available for State councils under the applicable Federal human resource programs;

"(2) use funds otherwise available under the applicable Federal human resource programs, consistent with the laws and regulations governing such programs, including funds available to carry out section 123(a)(2)(D), except that, with respect to the Carl D. Perkins Vocational and Applied Technology Education

Act (20 U.S.C. 2301 et seq.), such State may use funds only to the extent provided under section 112(g) of such Act; and

"(3) use funds, services, personnel, facilities and information provided by State and local public agencies, with the consent of such agencies.

"(b) PERSONNEL.—Each State Council may obtain the services of such professional, technical, and clerical personnel as may be necessary to carry out its functions.

"(c) CERTIFICATION.—Each State shall certify to the Secretary the establishment and membership of the State Council at least 90 days before the beginning of each period of 2 program years for which a job training plan is submitted under this Act.

"(d) EQUITABLE FUNDING.—Each State agency participating in a State Council under this title is encouraged to provide funds to support such Council in a manner consistent with its representation on such Council.".

(b) CONFORMING AMENDMENTS.—

(1) CARL D. PERKINS VOCATIONAL AND APPLIED TECHNOLOGY EDUCATION ACT AMENDMENTS.—Section 112 of the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2322) is amended—

(A) in subsection (a), by striking "Each" and inserting "Except as provided in subsection (g), each"; and

(B) by adding at the end the following new subsection:

"(g)(1) In lieu of establishing the State Council required under subsection (a), each State may satisfy the requirements of this section by designating the State human resource investment council established in accordance with title VII of the Job Training Partnership Act (in this subsection referred to as the 'State Council') to carry out the duties described in subsection (d).

"(2) Funds available under subsection (f) may be allotted to the State Council to carry out such duties and the other duties of the State Council if the Governor and head of the State agency responsible for administration of the programs under this Act agree to such an allotment. Only funds available under subsection (f) may be so allotted.".

(2) ADULT EDUCATION ACT AMENDMENT.—Section 332(d) of the Adult Education Act (20 U.S.C. 1205a(d)) is amended by adding at the end the following new subsection:

"(g) DESIGNATION OF STATE HUMAN RESOURCE INVESTMENT COUNCIL UNDER THE JOB TRAINING PARTNERSHIP ACT.—(1) The requirements in this section shall be satisfied if a State designates the State human resource investment council established under title VII of the Job Training Partnership Act (in this subsection referred to as the 'State Council') to carry out the duties described in subsection (f).

"(2) Funds under this part may be allotted to the State Council to carry out such duties and the other duties of the State Council if the Governor and the head of the State agency responsible for carrying out programs under this Act agree to such an allotment.".

(3) STATE JOB TRAINING COORDINATING COUNCIL.—Section 122 of the Act (29 U.S.C. 1532) is amended—

(A) in subsection (a) by striking "Any" and inserting "Except as provided in subsection (d), any"; and

(B) by adding at the end the following new subsection:

"(d)(1) In lieu of establishing the State council required under subsection (a), each State may satisfy the requirements of this section by designating the State human resource investment council established in accordance with title VII (in this subsection referred to as the 'State Council') to carry out the duties described in subsection (b).

"(2) Funding provided to carry out this section may be allotted to the State Council to carry out such functions and the other functions of the State Council if the Governor and the head of the State agency responsible for administration of programs under this Act agree to such an allotment.".

TITLE VII—MISCELLANEOUS PROVISIONS

SEC. 701. EFFECTIVE DATE AND TRANSITION PROVISIONS.

(a) IN GENERAL.—Except as otherwise provided in this section, this Act and the amendments made by this Act shall take effect on July 1, 1993.

(b) PERFORMANCE STANDARDS.—The Secretary of Labor shall issue revised performance standards under the amendments made by section 115 as soon as the Secretary determines sufficient data are available, but not later than July 1, 1994, except that with respect to the factor of retention in unsubsidized employment specified in section 106(b)(3)(B) of the Job Training Partnership Act (as amended by section 115), the requirement that such retention be for not less than 6 months shall take effect not later than July 1, 1995.

(c) INTERIM TRAINING SERVICES FORMULA.—

(1) LEVEL OF FUNDING.—If the amount appropriated to carry out parts A and C of title II of the Job Training Partnership Act for fiscal year 1993 is less than the sum of—

(A) $25,000,000; and

(B) the amount appropriated to carry out part A of title II of such Act, as in effect on the day before the date of enactment of this Act, for fiscal year 1992,

the amendment made by section 202 of this Act shall not take effect on July 1, 1993, and section 202 of the Job Training Partnership Act shall be amended to read as follows:

"SEC. 202. ALLOTMENT AND ALLOCATION.

"(a) ALLOTMENT.—

"(1) TERRITORIES.—Not more than $5,000,000 of the amount appropriated pursuant to section 3(a)(1) for each fiscal year and available for this part shall be allotted among Guam, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau.

"(2) STATES.—Subject to the provisions of paragraph (3), of the remainder of the amount available for this part for each fiscal year—

"(A) 33⅓ percent shall be allotted on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in each State as compared to the

total number of such unemployed individuals in all such areas of substantial unemployment in all the States;

"(B) 33⅓ percent shall be allotted on the basis of the relative excess number of unemployed individuals who reside in each State as compared to the total excess number of unemployed individuals in all the States; and

"(C) 33⅓ percent shall be allotted on the basis of the relative number of economically disadvantaged adults within each State compared to the total number of economically disadvantaged adults in all States, except that, for the allotment for any State in which there is any service delivery area described in section 101(a)(4)(A)(iii), the allotment shall be based on the higher of the number of adults in families with an income below the low-income level in such area or the number of economically disadvantaged adults in such area.

"(3) LIMITATIONS.—

"(A) STATE MINIMUM.—No State shall receive less than one-quarter of 1 percent of the amounts available for allotment to the States under this subsection from the remainder described in paragraph (2) for each fiscal year.

"(B) MINIMUM PERCENTAGE.—No State shall be allotted less than 90 percent of its allotment percentage for the fiscal year preceding the fiscal year for which the determination is made.

"(C) ALLOTMENT PERCENTAGE.—

"(i) IN GENERAL.—Except as provided in clause (ii), for purposes of subparagraph (B), the allotment percentage of a State for a fiscal year shall be the percentage of funds allotted to the State under this subsection.

"(ii) FISCAL YEAR 1992.—For purposes of subparagraph (B), the allocation percentage of a State for fiscal year 1992 shall be the percentage of funds allotted to the State under section 201, as in effect on the day before the date of enactment of the Job Training Reform Amendments of 1992.

"(b) ALLOCATION TO SERVICE DELIVERY AREAS.—

"(1) FORMULA.—The Governor shall, in accordance with section 162, allocate 77 percent of the allotment of the State under subsection (a) for each fiscal year among service delivery areas within the State, and shall ensure that, subject to the provisions of paragraph (3), of the amount allocated under this subsection—

"(A) 33⅓ percent shall be allocated on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in each service delivery area as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in the State;

"(B) 33⅓ percent shall be allocated on the basis of the relative excess number of unemployed individuals who reside in each service delivery area as compared to the total excess number of unemployed individuals in all service delivery areas in the State; and

"(C) 33⅓ percent shall be allocated on the basis of the relative number of economically disadvantaged adults within each service delivery area compared to the total number of economically disadvantaged adults in the State, except that the allocation for any service delivery area described in section 101(a)(4)(A)(iii) shall be based on the higher of the number of adults in families with an income below the low-income level in such area or the number of economically disadvantaged adults in such area.

"(2) LIMITATIONS.—

"(A) MINIMUM PERCENTAGE.—No service delivery area within any State shall be allocated an amount equal to less than 90 percent of the average of its allocation percentage for the 2 preceding fiscal years preceding the fiscal year for which the determination is made. If the amounts appropriated pursuant to section 3(a)(1) for a fiscal year and available to carry out this part are not sufficient to provide an amount equal to at least 90 percent of such allocation percentage to each such area, the amounts allocated to each area shall be ratably reduced.

"(B) ALLOCATION PERCENTAGE.—

"(i) IN GENERAL.—Except as provided in clause (ii), for purposes of subparagraph (A), the allocation percentage of a service delivery area for a fiscal year shall be the percentage of funds allocated to the service delivery area under this subsection.

"(ii) FISCAL YEAR 1992.—For purposes of subparagraph (A), the allocation percentage of a service delivery area for fiscal year 1992 shall be the percentage of funds allocated to the service delivery area under part A of title II.

"(c) STATE ACTIVITIES.—

"(1) DIVISION.—Of the remaining 23 percent of the allotment of the State under subsection (a) for each fiscal year—

"(A) 5 percent of such allotment of the State for each fiscal year shall be available to the Governor of the State to be used for overall administration, management, and auditing activities relating to programs under this title and for activities described in sections 121 and 122;

"(B) 5 percent of such allotment of each State for each fiscal year shall be available to provide incentive grants authorized under section 106(b)(7), in accordance with paragraph (2);

"(C) 8 percent of the allotment of each State for each fiscal year shall be available to carry out section 123; and

"(D) 5 percent of such allotment of each State for each fiscal year shall be available to carry out section 204(d).

"(2) OTHER USES.—

"(A) CAPACITY BUILDING AND TECHNICAL ASSISTANCE.—The Governor may use up to 33 percent of the amount allotted under paragraph (1)(B) for providing capacity building and technical assistance to service delivery areas and service providers. Such use of funds may include the development and training of service delivery area and service pro-

vider staff and the development of exemplary program activities.

"(B) NONDUPLICATION AND COORDINATION.—Funds used under subparagraph (A)—

"(i) may not be used to duplicate the activities of the Capacity Building and Information and Dissemination Network established under section 453(b); and

"(ii) shall, to the extent practicable, be used to coordinate the activities under subparagraph (A) with the activities of the Network under section 453(b).

"(d) DEFINITIONS AND RULE.—As used in this section:

"(1) DEFINITIONS.—

"(A) ECONOMICALLY DISADVANTAGED ADULT.—The term 'economically disadvantaged adult' means an individual who is age 22 through 72 and who has, or is a member of a family that has, received a total family income (exclusive of unemployment compensation, child support payments, and welfare payments) that, in relation to family size, was not in excess of the higher of—

"(i) the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)); or

"(ii) 70 percent of the lower living standard income level.

"(B) EXCESS NUMBER.—The term 'excess number' means—

"(i) with respect to the excess number of unemployed individuals within a State—

"(I) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the State; or

"(II) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such State; and

"(ii) with respect to the excess number of unemployed individuals within a service delivery area—

"(I) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the service delivery area; or

"(II) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such service delivery area.

"(C) STATE.—The term 'State' means any of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(2) SPECIAL RULE.—For the purposes of this section, the Secretary shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of economically disadvantaged adults.".

(2) EFFECTIVE DATE.—Any amendment made by paragraph (1) shall take effect on July 1, 1993.

(d) PERMANENT TRAINING SERVICES FORMULA.—

(1) LEVEL OF FUNDING.—If section 202 of the Job Training Partnership Act is amended in accordance with subsection (c) and the amount appropriated to carry out parts A and C of title II of the Job Training Partnership Act for a fiscal year is not less than the sum of—

(A) $25,000,000; and

(B) the amount appropriated to carry out part A of title II of such Act, as in effect on the day before the date of enactment of this Act, for fiscal year 1992,

the amendment made by section 202 of this Act shall take effect.

(2) EFFECTIVE DATE.—Any amendment made by paragraph (1) shall take effect on October 1 of the fiscal year described in paragraph (1).

(e) SUMMER YOUTH PROGRAM TRANSFERS.—

(1) IN GENERAL.—Section 205 and the amendment made by such section 205 shall take effect on the date of enactment of this Act.

(2) TRANSITION.—A service delivery area may transfer up to 10 percent of the amounts allocated for such area for the summer of 1992 under part B of title II of the Job Training Partnership Act for program year 1992 to provide services to youth pursuant to the program under part A of such title, to provide services to youth under such part A, if such transfer is approved by the Governor.

(f) INTERIM TRAINING SERVICES FORMULA.—

(1) LEVEL OF FUNDING.—If the amount appropriated to carry out parts A and C of title II of the Job Training Partnership Act for fiscal year 1993 is less than the sum of—

(A) $25,000,000; and

(B) the amount appropriated to carry out part A of title II of such Act, as in effect on the day before the date of enactment of this Act, for fiscal year 1992,

the amendment made by section 207 of this Act shall not take effect on July 1, 1993, and title II of the Job Training Partnership Act shall be amended by inserting after section 261 of such Act the following:

"SEC. 262. ALLOTMENT AND ALLOCATION.

"(a) ALLOTMENT.—

"(1) TERRITORIES.—Not more than $5,000,000 of the amount appropriated pursuant to section 3(a)(1) for each fiscal year and available for this part shall be allotted among Guam, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau.

"(2) STATES.—Subject to the provisions of paragraph (3), of the remainder of the amount available for this part for each fiscal year—

"(A) 33⅓ percent shall be allotted on the basis of the relative number of unemployed individuals residing in areas of

substantial unemployment in each State as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in all the States;

"(B) 33⅓ percent shall be allotted on the basis of the relative excess number of unemployed individuals who reside in each State as compared to the total excess number of unemployed individuals in all the States; and

"(C) 33⅓ percent shall be allotted on the basis of the relative number of economically disadvantaged youth within each State compared to the total number of economically disadvantaged youth in all States, except that, for the allotment for any State in which there is any service delivery area described in section 101(a)(4)(A)(iii), the allotment shall be based on the higher of the number of youth in families with an income below the low-income level in such area or the number of economically disadvantaged youth in such area.

"(3) LIMITATIONS.—

"(A) STATE MINIMUM.—No State shall receive less than one-quarter of 1 percent of the amounts available for allotment to the States under this subsection from the remainder described in paragraph (2) for each fiscal year.

"(B) MINIMUM PERCENTAGE.—No State shall be allotted less than 90 percent of its allotment percentage for the fiscal year preceding the fiscal year for which the determination is made.

"(C) ALLOTMENT PERCENTAGE.—

"(i) IN GENERAL.—Except as provided in clause (ii), for purposes of subparagraph (B), the allotment percentage of a State for a fiscal year shall be the percentage of funds allotted to the State under this subsection.

"(ii) FISCAL YEAR 1992.—For purposes of subparagraph (B), the allocation percentage of a State for fiscal year 1992 shall be the percentage of funds allotted to the State under section 201, as in effect on the day before the date of enactment of the Job Training Reform Amendments of 1992.

"(b) ALLOCATION TO SERVICE DELIVERY AREAS.—

"(1) FORMULA.—The Governor shall, in accordance with section 162, allocate 82 percent of the allotment of the State under subsection (a) for each fiscal year among service delivery areas within the State, and shall ensure that, subject to the provisions of paragraph (3), of the amount allocated under this subsection—

"(A) 33⅓ percent shall be allocated on the basis of the relative number of unemployed individuals residing in areas of substantial unemployment in each service delivery area as compared to the total number of such unemployed individuals in all such areas of substantial unemployment in the State;

"(B) 33⅓ percent shall be allocated on the basis of the relative excess number of unemployed individuals who reside in each service delivery area as compared to the total excess

number of unemployed individuals in all service delivery areas in the State; and

"(C) 33⅓ percent shall be allocated on the basis of the relative number of economically disadvantaged youth within each service delivery area compared to the total number of economically disadvantaged youth in the State, except that the allocation for any service delivery area described in section 101(a)(4)(A)(iii) shall be based on the higher of the number of youth in families with an income below the low-income level in such area or the number of economically disadvantaged youth in such area.

"(2) LIMITATIONS.—

"(A) MINIMUM PERCENTAGE.—No service delivery area within any State shall be allocated an amount equal to less than 90 percent of the average of its allocation percentage for the 2 preceding fiscal years preceding the fiscal year for which the determination is made. If the amounts appropriated pursuant to section 3(a)(1) for a fiscal year and available to carry out this part are not sufficient to provide an amount equal to at least 90 percent of such allocation percentage to each such area, the amounts allocated to each area shall be ratably reduced.

"(B) ALLOCATION PERCENTAGE.—

"(i) IN GENERAL.—Except as provided in clause (ii), for purposes of subparagraph (A), the allocation percentage of a service delivery area for a fiscal year shall be the percentage of funds allocated to the service delivery area under this subsection.

"(ii) FISCAL YEAR 1992.—For purposes of subparagraph (A), the allocation percentage of a service delivery area for fiscal year 1992 shall be the percentage of funds allocated to the service delivery area under part A of title II.

"(c) STATE ACTIVITIES.—

"(1) DIVISION.—Of the remaining 18 percent of the allotment of the State under subsection (a) for each fiscal year—

"(A) 5 percent of such allotment of the State for each fiscal year shall be available to the Governor of the State to be used for overall administration, management, and auditing activities relating to programs under this title and for activities described in sections 121 and 122;

"(B) 5 percent of such allotment of each State for each fiscal year shall be available to provide incentive grants authorized under section 106(b)(7), in accordance with paragraph (2); and

"(C) 8 percent of the allotment of each State for each fiscal year shall be available to carry out section 123.

"(2) OTHER USES.—

"(A) CAPACITY BUILDING AND TECHNICAL ASSISTANCE.—The Governor may use up to 33 percent of the amount allotted under paragraph (1)(B) for providing capacity building and technical assistance to service delivery areas and service providers. Such use of funds may include the development and training of service delivery area and service pro-

vider staff and the development of exemplary program activities.

"(B) NONDUPLICATION AND COORDINATION.—Funds used under subparagraph (A)—

"(i) may not be used to duplicate the activities of the Capacity Building and Information and Dissemination Network established under section 453(b); and

"(ii) shall, to the extent practicable, be used to coordinate the activities under subparagraph (A) with the activities of the Network under section 453(b).

"(d) DEFINITIONS AND RULE.—As used in this section:

"(1) DEFINITIONS.—

"(A) ECONOMICALLY DISADVANTAGED YOUTH.—The term 'economically disadvantaged youth' means an individual who is age 16 through 21 and who has, or is a member of a family that has, received a total family income (exclusive of unemployment compensation, child support payments, and welfare payments) that, in relation to family size, was not in excess of the higher of—

"(i) the official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)); or

"(ii) 70 percent of the lower living standard income level.

"(B) EXCESS NUMBER.—The term 'excess number' means—

"(i) with respect to the excess number of unemployed individuals within a State—

"(I) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the State; or

"(II) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such State; and

"(ii) with respect to the excess number of unemployed individuals within a service delivery area—

"(I) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the service delivery area; or

"(II) the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in areas of substantial unemployment in such service delivery area.

"(C) STATE.—The term 'State' means any of the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

"(2) SPECIAL RULE.—For the purposes of this section, the Secretary shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of economically disadvantaged youth.".

(2) EFFECTIVE DATE.—Any amendment made by paragraph (1) shall take effect on July 1, 1993.

(g) PERMANENT TRAINING SERVICES FORMULA.—

(1) LEVEL OF FUNDING.—If title II of the Job Training Partnership Act is amended in accordance with subsection (f) and the amount appropriated to carry out parts A and C of title II of the Job Training Partnership Act for a fiscal year is not less than the sum of—

(A) $25,000,000; and

(B) the amount appropriated to carry out part A of title II of such Act, as in effect on the day before the date of enactment of this Act, for fiscal year 1992,

the amendment made by section 207 of this Act shall take effect.

(2) EFFECTIVE DATE.—Any amendment made by paragraph (1) shall take effect on October 1 of the fiscal year described in paragraph (1).

(h) EVALUATION.—The Secretary of Labor shall evaluate the impact of programs under title II of the Job Training Partnership Act on participant employment, earnings and welfare dependency in multiple sites, using the random assignment of individuals to groups receiving services under programs authorized under the Job Training Reform Amendments of 1992 to groups not receiving such services.

(i) RULES AND PROCEDURES.—

(1) IN GENERAL.—The Secretary of Labor may establish such rules and procedures as may be necessary to provide for an orderly implementation of the amendments made by this Act.

(2) REVIEW.—The Secretary of Labor, the Governors, and the service delivery areas shall conduct a comprehensive review of the current policies, practices, procedures, and delivery systems relating to programs authorized under the Job Training Partnership Act for the purpose of ensuring the effective implementation of the amendments made by this Act. Such review shall include consideration of the appropriateness of current service delivery area designations, the representativeness of current State and local councils, the adequacy of current administrative systems, the effectiveness of current outreach, service delivery, and coordination activities, and other relevant matters.

(j) IMPLEMENTING REGULATIONS.—The Secretary of Labor shall issue final regulations relating to the implementation of the amendments made by this Act not later than December 18, 1992.

SEC. 702. TECHNICAL AND CONFORMING AMENDMENTS.

(a) JOB TRAINING PARTNERSHIP ACT.—

(1) Section 4(14) of the Act (29 U.S.C. 1503(14)) is amended by striking "section 521(19)" and inserting "section 521(22)".

(2) Section 4(23) of the Act (29 U.S.C. 1503(23)) is amended by striking "section 1201(h) of the Higher Education Act of 1965" and inserting "section 1471(23) of the Elementary and Secondary Education Act of 1965".

(3) Subparagraph (C) of section 4(27) of the Act (29 U.S.C. 1503(27)) is amended by indenting, and aligning the margin of,

such subparagraph so as to align with subparagraph (B) of such section.

(4) Section 121(b)(1) is amended by striking "and 203" and inserting "203, or 263".

(5) Section 122 of the Act (29 U.S.C. 1532) is amended—

(A) in subsection (a)(1), by striking "section 202(b)(4)" and inserting "sections 202(c)(1)(A) and 262(c)(1)(A)";

(B) in subsection (b)(2), by striking "section 202(a)" and inserting "section 202(b) or 262(b)"; and

(C) in subsection (b)(11)(B), by striking "section 113(b)(9)" and inserting "section 113(b)(14)".

(6) Section 125(a) of the Act (29 U.S.C. 1535(a)) is amended by striking "section 202(b)(4) and".

(7) Section 161(b)(2) of the Act (29 U.S.C. 1571(b)(2)) is amended by striking "sections 452 through 455" and inserting "section 452".

(8) Section 161(c) of the Act (29 U.S.C. 1571(c)) is repealed.

(9) Section 172 of the Act is redesignated the second place it appears as section 173.

(10) Section 181 of the Act (29 U.S.C. 1591) is repealed.

(11) Section 302(b)(2) of the Act (29 U.S.C. 1652(b)(2)) is amended by striking "part B and this part" and inserting "part A".

(12) Section 311(f) of the Act (29 U.S.C. 1661(f)) is amended by striking "section" and inserting "sections".

(13) Section 433(c)(1) of the Act (29 U.S.C. 1703(c)(1)) is amended by striking "sections 452 and 455" and inserting "sections 452 and 453".

(14) Section 433A of the Act (29 U.S.C. 1703a) is amended—

(A) in subsection (c)(2), by striking "may be over the maximum age permitted by section 423(1), but"; and

(B) in subsection (e), by striking "section 454" and inserting "section 452(d)".

(15) Section 436(a)(1) of the Act (29 U.S.C. 1706(a)(1)) is amended by striking "1954" and inserting "1986".

(16) Section 462(f)(2) of the Act (29 U.S.C. 1752(f)(2)) is amended by adding at the end a period.

(17) Section 472(a) of the Act (29 U.S.C. 1772(a)) is amended by striking the 4th sentence.

(18) Section 473(7) of the Act (29 U.S.C. 1773(7)) is amended—

(A) by striking "(A)";

(B) by striking ", after consultation with the National Council on Vocational Education,";

(C) by striking "; and" and inserting a period; and

(D) by striking subparagraph (B).

(19) Section 481(a) of the Act (29 U.S.C. 1781(a)) is amended by striking "section 203(a)(1)" and inserting "section 203, 263".

(20) Title VI of the Act is amended by redesignating section 505 (29 U.S.C. 1505) as section 605.

(b) FOOD STAMP ACT OF 1977.—Section 5(l) of the Food Stamp Act of 1977 (7 U.S.C. 2014(l)) is amended by striking "section 204(5)" and inserting "section 204(b)(1)(C) or section 264(c)(1)(A)".

(c) TABLE OF CONTENTS.—The table of contents relating to the Act is amended to read as follows:

"Sec. 1. Short title; table of contents.
"Sec. 2. Statement of purpose.
"Sec. 3. Authorization of appropriations.
"Sec. 4. Definitions.

"TITLE I—JOB TRAINING PARTNERSHIP

"PART A—SERVICE DELIVERY SYSTEM

"Sec. 101. Establishment of service delivery areas.
"Sec. 102. Establishment of private industry council.
"Sec. 103. Functions of private industry council.
"Sec. 104. Job training plan.
"Sec. 105. Review and approval of plan.
"Sec. 106. Performance standards.
"Sec. 107. Selection of service providers.
"Sec. 108. Limitation on certain costs.
"Sec. 109. Recapture and reallotment of unobligated funds.

"PART B—ADDITIONAL STATE RESPONSIBILITIES

"Sec. 121. Governor's coordination and special services plan.
"Sec. 122. State job training coordinating council.
"Sec. 123. State education coordination and grants.
"Sec. 124. Identification of additional imposed requirements.
"Sec. 125. State labor market information programs.
"Sec. 126. Authority of State legislature.
"Sec. 127. Interstate agreements.

"PART C—PROGRAM REQUIREMENTS FOR SERVICE DELIVERY SYSTEM

"Sec. 141. General program requirements.
"Sec. 142. Benefits.
"Sec. 143. Labor standards.
"Sec. 144. Grievance procedure.
"Sec. 145. Prohibition against Federal control of education.

"PART D—FEDERAL AND FISCAL ADMINISTRATIVE PROVISIONS

"Sec. 161. Program year.
"Sec. 162. Prompt allocation of funds.
"Sec. 163. Monitoring.
"Sec. 164. Fiscal controls; sanctions.
"Sec. 165. Reports, recordkeeping, and investigations.
"Sec. 166. Administrative adjudication.
"Sec. 167. Nondiscrimination.
"Sec. 168. Judicial review.
"Sec. 169. Administrative provisions.
"Sec. 170. Utilization of services and facilities.
"Sec. 171. Obligational authority.
"Sec. 172. Presidential awards for outstanding private sector involvement in job training programs.
"Sec. 173. Construction.

"PART E—MISCELLANEOUS PROVISIONS

"Sec. 182. Criminal provisions.
"Sec. 183. Reference.
"Sec. 184. Repealers.

"TITLE II—TRAINING SERVICES FOR THE DISADVANTAGED

"PART A—ADULT TRAINING PROGRAM

"Sec. 201. Statement of purpose.
"Sec. 202. Allotment and allocation.
"Sec. 203. Eligibility for services.
"Sec. 204. Program design.
"Sec. 205. Linkages.
"Sec. 206. Transfer of funds.

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"PART B—SUMMER YOUTH EMPLOYMENT AND TRAINING PROGRAMS

"Sec. 251. Purpose.
"Sec. 252. Authorization of appropriations; allotment and allocation.
"Sec. 253. Use of funds.
"Sec. 254. Limitations.
"Sec. 255. Applicable provisions.
"Sec. 256. Transfer of funds.

"PART C—YOUTH TRAINING PROGRAM

"Sec. 261. Statement of purpose.
"Sec. 262. Allotment and allocation.
"Sec. 263. Eligibility for services.
"Sec. 264. Program design.
"Sec. 265. Linkages.
"Sec. 266. Transfer of funds.

"TITLE III—EMPLOYMENT AND TRAINING ASSISTANCE FOR DISLOCATED WORKERS

"Sec. 301. Definitions.
"Sec. 302. Allotment.
"Sec. 303. Recapture and reallotment of unexpended funds.

"PART A—STATE DELIVERY OF SERVICES

"Sec. 311. State plan.
"Sec. 312. Substate grantees.
"Sec. 313. Substate plan.
"Sec. 314. Use of funds; services to be provided.
"Sec. 315. Limitations on uses of funds.
"Sec. 316. Retraining services availability.
"Sec. 317. Functions of State job training coordinating council.

"PART B—FEDERAL RESPONSIBILITIES

"Sec. 321. Federal administration.
"Sec. 322. Federal delivery of dislocated worker services.
"Sec. 323. Allowable activities.
"Sec. 324. Demonstration programs.
"Sec. 325. Defense conversion adjustment program.
"Sec. 326. Clean Air Employment Transition Assistance.

"TITLE IV—FEDERALLY ADMINISTERED PROGRAMS

"PART A—EMPLOYMENT AND TRAINING PROGRAMS FOR NATIVE AMERICANS AND MIGRANT AND SEASONAL FARMWORKERS

"Sec. 401. Native american programs.
"Sec. 402. Migrant and seasonal farmworker programs.
"Sec. 403. Grant procedures.

"PART B—JOB CORPS

"Sec. 421. Statement of purpose.
"Sec. 422. Establishment of the job corps.
"Sec. 423. Individuals eligible for the job corps.
"Sec. 424. Screening and selection of applicants: general provisions.
"Sec. 425. Screening and selection: special limitations.
"Sec. 426. Enrollment and assignment.
"Sec. 427. Job corps centers.
"Sec. 428. Program activities.
"Sec. 429. Allowances and support.
"Sec. 430. Standards of conduct.
"Sec. 431. Community participation.
"Sec. 432. Counseling and job placement.
"Sec. 433. Experimental and developmental projects and coordination with other programs.
"Sec. 433A. Job corps centers for homeless families.
"Sec. 434. Advisory boards and committees.
"Sec. 435. Participation of the States.

"Sec. 436. Application of provisions of Federal law.
"Sec. 437. Special provisions.
"Sec. 438. General provisions.
"Sec. 439. Donations.

"PART C—VETERANS' EMPLOYMENT PROGRAMS

"Sec. 441. Programs authorized.

"PART D—NATIONAL ACTIVITIES

"Sec. 451. National partnership and special training programs.
"Sec. 452. Research, demonstration, and evaluation.
"Sec. 453. Capacity building, information, dissemination, and replication activities.
"Sec. 454. Guidance and technical assistance.
"Sec. 455. Uniform requirements.
"Sec. 456. Nontraditional employment demonstration program.

"PART E—LABOR MARKET INFORMATION

"Sec. 461. Labor market information; availability of funds.
"Sec. 462. Cooperative labor market information program.
"Sec. 463. Special Federal responsibilities.
"Sec. 464. National occupational information coordinating committee.
"Sec. 465. Job bank program.

"PART F—NATIONAL COMMISSION FOR EMPLOYMENT POLICY

"Sec. 471. Statement of purpose.
"Sec. 472. Commission established.
"Sec. 473. Functions of the commission.
"Sec. 474. Administrative provisions.
"Sec. 475. Reports.

"PART G—TRAINING TO FULFILL AFFIRMATIVE ACTION OBLIGATIONS

"Sec. 481. Affirmative action.

"PART H—YOUTH FAIR CHANCE PROGRAM

"Sec. 491. Statement of purpose.
"Sec. 492. Program authorized.
"Sec. 493. Application.
"Sec. 494. Grant agreement.
"Sec. 495. Job guarantees.
"Sec. 496. Payments; federal share.
"Sec. 497. Reporting.
"Sec. 498. Federal responsibilities.
"Sec. 498A. Definitions.

"PART I—MICROENTERPRISE GRANTS PROGRAM

"Sec. 499. Microenterprise grants.

"PART J—DISASTER RELIEF EMPLOYMENT ASSISTANCE

"Sec. 499A. General authority.
"Sec. 499B. Use of funds.
"Sec. 499C. Definitions.

"TITLE V—JOBS FOR EMPLOYABLE DEPENDENT INDIVIDUALS INCENTIVE BONUS PROGRAM

"Sec. 501. Statement of purpose.
"Sec. 502. Payments.
"Sec. 503. Amount of incentive bonus.
"Sec. 504. Use of incentive bonus funds.
"Sec. 505. Notice and application.
"Sec. 506. Eligibility for incentive bonuses.
"Sec. 507. Information and data collection.
"Sec. 508. Evaluation and report.
"Sec. 509. Implementing regulations.

"TITLE VI—MISCELLANEOUS PROVISIONS

"Sec. 601. Amendments to the Wagner-Peyser Act.
"Sec. 602. Amendments to part C of title IV of the Social Security Act.
"Sec. 603. Earnings disregard.
"Sec. 604. Enforcement of Military Selective Service Act.
"Sec. 605. State job bank systems.

"TITLE VII—STATE HUMAN RESOURCE INVESTMENT COUNCIL

"Sec. 701. Establishment and functions.
"Sec. 702. Composition.
"Sec. 703. Administration.".

And the Senate agree to the same.

That the Senate recedes from its amendment to the title of the bill.

WILLIAM D. FORD,
PAT WILLIAMS,
CARL C. PERKINS,
ROBERT E. ANDREWS,
JOHN W. OLVER,
BILL GOODLING,
STEVE GUNDERSON,
PAUL B. HENRY,
Managers on the Part of the House.

EDWARD M. KENNEDY,
HOWARD METZENBAUM,
PAUL SIMON,
ORRIN HATCH,
STROM THURMOND,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3033) to amend the Job Training Partnership Act to improve the delivery of services to hard-to-serve youth and adults, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment to the text of the bill struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SHORT TITLE

1. Bill Titles. The House Bill is titled, "Job Training Reform Amendments," while the Senate Amendment is titled, "Job Training and Basic Skills Act of 1992".

The Senate recedes with an amendment to add "of 1992" after the word "Amendments".

TABLE OF CONTENTS

2. Table of Contents. There are technical differences between the House Bill and Senate Amendment lists.

The House recedes with an amendment to conform the Table of Contents to the contents of the Conference bill.

3. References. The Senate Amendment, but not the House Bill, includes a standard reference provision to the Job Training Partnership Act.

The Senate recedes.

TITLE I—JOB TRAINING PARTNERSHIP REQUIREMENTS

4. Statement of Purpose. The Senate Amendment, but not the House Bill, adds a clause in the statement of purpose on improving the quality of the workforce and enhancing productivity.

The House recedes.

5. Authorization of Appropriations. A. The House Bill, but not the Senate Amendment, authorizes appropriations to carry out parts A and C of title II (the adult and youth year round programs)

with an amount "equal to" 60 percent of such sum for part A and an amount equal to 40 percent for part C.

B. The Senate Amendment, but not the House Bill, also authorizes appropriations to carry out parts A and C of title II, but requires that "not less than" 40 percent shall be made available to part C (the year round youth program).

The House recedes with an amendment on parts A and B. The Conferees agree to authorize appropriations to carry out parts A and C of title II and require that not less than 40 percent be made available for part A and not less than 40 percent be made available for part C. The remainder may be allocated between either part A or part C.

6. Statistical Data Authorization. The House Bill, but not the Senate Amendment, authorizes $6 million for any fiscal year to carry out section 462 (e) and (f) of current law, which directs the Secretary to develop statistical data on permanent lay-offs and plant closings and to develop, with the Secretary of Agriculture, statistical data on the permanent dislocation of farmers and ranchers.

The Senate recedes.

7. Replication of Programs. The Senate Amendment, but not the House Bill, authorizes $10 million for FY93 and such sums thereafter for the Replication of Successful Programs.

The Senate recedes. See comment 8 for authorization language under title IV for "Capacity Building, Information, Dissemination, and Replication Activities."

8. Title IV Program Authorizations. The House Bill, but not the Senate Amendment, authorizes:

$5 million for each fiscal year 1993 through 1997 for title IV–I, the Microenterprise Grants:

$15 million for fiscal year 1993 and such sums thereafter for title IV–J, for Disaster Relief Employment;

$15 million for fiscal year 1993 and such sums thereafter for section 457, for Training Networks.

The Senate recedes on the authorizations for Microenterprise Grants and Disaster Relief Employment. The Senate recedes with an amendment on Training Networks to authorize $15 million in title IV funds, after the set-asides for veterans and Indian and migrant programs have been fulfilled. The Training Network, as amended, is retained in Section 453 of the Conference bill (which also merges language from Section 453 of the Senate Amendment and language on Replication of Successful Programs, also from the Senate Amendment; see comment 230 for a description of the new Section 453).

9. Title V. The Senate Amendment, but not the House Bill, deletes the authorization trigger provision for title V Jobs for Employable Dependent Individuals (JEDI) and deletes the funding cap of $5 million.

The House recedes.

10. Conforming Amendments. The House Bill, but not the Senate Amendment, makes a technical change to Jobs for Employable Dependent Individuals in title V to tie the authorization trigger to parts A and C of title II.

The House recedes.

11. The Senate Amendment but not the House Bill, makes a conforming amendment to subsection 302(e) of current law, reservation of funds for the territories.

The House recedes.

12. The Senate Amendment, but not the House Bill, makes a conforming amendment to the Clean Air Act employment amendments in section 326 of current law.

The House recedes.

13. Definitions. The House Bill, but not the Senate Amendment, makes a technical amendment to the areas of substantial unemployment (ASU) definition to make it applicable to part C of title II.

The Senate recedes.

14A. The House Bill, but not the Senate Amendment, adds the Center for Employment Training to the definition of community-based organizations.

The Senate recedes.

B. The Senate Amendment, but not the House Bill, adds literacy organizations, agencies or organizations serving older individuals and organizations that provide service opportunities and youth corps programs to the definition of community-based organizations.

The House recedes.

15. Definitions. The House Bill, but not the Senate Amendment, strikes the National Urban Indian Council from the definition of community-based organizations.

The Senate recedes.

16. Poverty Determinations. The House Bill, but not the Senate Amendment, amends the definition for determining poverty levels by placing the determination within the "income guidelines promulgated by the Secretary of Health and Human Services." The Senate Amendment, but not the House Bill, also amends the definition, but places the determination within the Office of Management and Budget as "revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981."

The House recedes.

17. Definitions. The House Bill, but not the Senate Amendment, adds individuals who are eligible, but not necessarily receiving, food stamps to the definition of economically disadvantaged.

The Senate recedes with an amendment. The Conferees agree that the determination of food stamp eligibility must have been made within the preceding 6 months.

18A. Supportive Services Definition. The House Bill, but not the Senate Amendment, adds financial assistance and dependent care to the definition of supportive services.

The Senate recedes.

The Conferees intend that through the inclusion of financial assistance in the list of supportive services provided under the Adult and Youth programs, the provision of such financial assistance will be encouraged under both the adult and youth programs. However, such financial assistance is to be based on the individual needs of the participant as determined in the participant's individual assessment and service strategy. Further, such assistance shall not be construed to be an entitlement under this Act, and shall be provided based on what is appropriate both for the success of the individ-

ual and for the success of the program. (See also comments 141A and 147.)

B. The Senate Amendment, but not the House Bill, adds job coaches to the definition of supportive services for individuals with disabilities.

The House recedes.

19. Definitions. The Senate Amendment, but not the House Bill, includes "English" reading skills in the definition of basic skills deficient.

The House Bill refers to the equivalent score on a criterion referenced test, while the Senate Amendment refers to the comparable score.

The House recedes on both parts.

20. Definitions. The Senate Amendment, but not the House Bill, adds new definitions for the terms: citizenship skills, educational agency, family, and hard-to-serve individuals.

The House recedes on the definition of citizenship skills, family, and hard-to-serve individual. The Senate recedes on the definition of educational agency.

21. Definitions. The Senate Amendment, but not the House Bill, excepts followup services authorized under section 253(d) of the Senate Amendment from the definition of "participants."

The House recedes.

22. Definitions. The Senate Amendment, but not the House Bill, adds a new definition for the term "youth corps program".

The House recedes.

23. Conforming Amendments. The Senate Amendment, but not the House Bill, includes a series of technical changes to substitute the term "individuals with a disability" for the term "handicapped".

The House recedes.

24. Establishment of a service delivery area. The House Bill, but not the Senate Amendment, includes two new exceptions to the 2-year limit on the frequency with which a Governor may redesignate a service delivery area. These two exceptions are: failure to meet performance standards and failure to take corrective action for a substantial violation of the Act or the regulations.

The Senate recedes.

25. Private Industry Councils. A. The House Bill, but not the Senate Amendment, clarifies current law by adding "each of the following" after "representatives of" various public agencies.

B. The House Bill and the Senate Amendment add "local welfare agencies." The Senate Amendment, but not the House Bill, adds "public assistance agencies".

The Senate recedes on part A. The House recedes on part B with an amendment to delete "local welfare agency" and retain "public assistance agency" on the PIC.

26. The Senate Amendment, but not the House Bill, requires that representatives of organized labor and community-based organizations compose not less than 15 percent of private industry council membership.

The House recedes.

27. Private Industry Councils. The Senate Amendment, but not the House Bill, specified how education and labor representatives to the private industry council are to be selected.

The House recedes with an amendment requiring that representatives of organized labor must be selected from individuals recommended by State or local labor federations.

28. The Senate Amendment, but not the House Bill, requires that remaining members of the private industry council not specifically mandated shall be from all sectors described in section 102(a)(3) of the Senate Amendment.

The Senate recedes with an amendment to use language from current law on choosing additional private industry council members from interested organizations. This language reads, "The remaining members of the council shall be selected from individuals recommended by interested organizations." (Section 102(c) of current law.)

29. The Senate Amendment, but not the House Bill, provides private industry councils 3 years to comply with the preceding changes.

The Senate recedes.

30. Job Training Plan. The House Bill, but not the Senate Amendment, requires that the job training plan include provisions for coordinating agreements established for on-the-job training contracts.

The Senate recedes.

31. Job Training Plan. The House Bill requires the job training plan to include a description of agreements with "appropriate" educational agencies, while the Senate Amendment does not mention the word "appropriate" when referring to educational agencies in the corresponding paragraph.

The Senate recedes.

32. Job Training Plan. The Senate Amendment, but not the House Bill, requires a description in the job training plan of the linkages established with the National and Community Service Act, if appropriate.

The House recedes.

33. Job Training Plan. The Senate Amendment, but not the House Bill, requires a description in the job training plan of the manner in which the program will contribute to the economic self-sufficiency of participants and local productivity.

The House recedes.

34. The Senate Amendment includes in Section 104(b)(6)(A) language similar to language in Section 104(b)(7) of the House Bill on outreach efforts to targeted populations.

The Senate recedes with an amendment to combine House Bill and Senate Amendment language on outreach to hard-to-serve populations into Section 104(b)(6) of the Conference bill.

35. Job Training Plan. The House Bill, but not the Senate Amendment, requires the job training plan to contain a description of the process for providing information and referrals for applicants and participants.

The Senate recedes.

36. The House Bill, but not the Senate Amendment, requires the job training plan to include a means for involving labor organiza-

tions and community-based organizations in the provision of services.

The Senate recedes.

37. Job Training Plan. The Senate Bill, but not the House Bill, specifically requires service provider selection procedures to take into account past performance of providers in basic skills training.

The House recedes.

38. The Senate Amendment, but not the House Bill, requires in the job training plan a description of procedures for selecting service providers that take into account the "ability of the providers to provide services that can lead to achievement of competency standards for participants with identified deficiencies".

The House recedes.

39. Job Training Plan. The Senate Amendment, but not the House Bill, includes requirements also in the nontraditional Employment for Women Act, Public Law 102-235.

The House recedes.

40. Job Training Plan. The Senate Amendment, but not the House Bill, requires that the job training plan include language on goals for training targeted populations, including women in nontraditional employment and apprenticeships (also in the Non-traditional Employment of Women Act, Public Law 102-235), along with a description of the efforts to be undertaken to accomplish such goals.

The House recedes with amendment to merge similar provisions.

41. Review and Approval of Plan. The Senate Amendment, but not the House Bill, adds community-based organizations to the list of organizations and agencies to which the job training plan shall be made available for review and comment.

The House recedes.

42. The House Bill, but not the Senate Amendment, adds failure to comply with the linkages language in sections 205 and 275, as additional coordination criteria for the Governor to consider in approval or disapproval of a job training plan.

The Senate recedes. (Note: The linkage language in the youth part is in section 265.)

43. Performance Standards. The Senate Amendment, but not the House Bill, in its findings on performance standards, adds long-term economic self-sufficiency to the list of criteria for determining whether the job training investment has been productive.

The House recedes.

44. Performance Standards. The Senate Amendment directs the Secretary to base adult program performance standards on the succeeding factors listed in section 106(b)(3) of the Senate Amendment, which are similar in both bills; however, the House Bill simply lists the factors.

The House recedes.

45. The Senate Amendment, but not the House Bill, defines retention as 6 months in unsubsidized employment and creates separate subparagraphs for this factor.

The House recedes with an amendment to phase-in the 6-month requirement by July 1, 1995.

46. Performance Standards—Skills Acquisition. The Senate Amendment, but not the House Bill, cross references the acquisi-

tion of skills to the competency levels described in the succeeding paragraph (5).

The House recedes.

47. Performance Standards. The Senate Amendment, but not the House Bill, directs the Secretary to base performance standards on the succeeding youth factors, while the House Bill simply lists the standards.

The House recedes.

48. Youth Standards. The House Bill, but not the Senate Amendment, lists enrollment in education or employment programs as a standard that shall be included in the list of standards for youth programs under part C of title II. The Senate Amendment, but not the House Bill, lists postsecondary education.

The House recedes.

49. The Senate Amendment, but not the House Bill, allows the Secretary to prescribe variations in the preceding standards to reflect differences between in-school and out-of-school programs.

The House recedes.

50. Competency Standards. The House Bill, but not the Senate Amendment, provides that where appropriate, the private industry councils shall consult with labor organizations for "determining" competency "standards".

The Senate Amendment, but not the House Bill, refers to "establishing" competency "levels."

The House recedes with an amendment to add after educational agencies "and, where appropriate, the private sector, labor organizations, and community-based organizations".

51. Performance Standards. The Senate Amendment, but not the House Bill, specifically refers to the performance standards described in the preceding paragraphs 3 and 4, while the House Bill simply refers to "standards." The Senate Amendment, but not the House Bill, also specifically refers to paragraphs 3 and 4 for the base period of measurement.

The House recedes with an amendment to delete the redundant references to paragraphs 3 and 4.

52. The House Bill, but not the Senate Amendment, lists post program employment as an additional element that shall be included in the competency standards. The Senate Amendment, but not the House Bill, requires provisions for indicators of post program cash welfare payment reductions.

The Senate recedes on including post program employment in the competency standards. The House recedes on indicators of welfare payment reductions.

53. Performance Standards. The House Bill, but not the Senate Amendment, requires the use of cost-effective methods for obtaining performance standards data for section 454, as well as for section (106). (See Section 452 in the Conference bill.)

The Senate recedes.

54. Performance Standards. The Senate Amendment, but not the House Bill, specifically refers to parts A and C of title II (the Adult and Youth Programs) for relating gross program expenditures and specifically directs the Governors not to use this measure when awarding grants, while the House Bill does not make a specific program reference, other than to the term "incentive" grants.

The House recedes with an amendment to exclude any cost per participant measures from the performance standards.

55. Performance Standards. The House Bill, but not the Senate Amendment, links exceeding performance standards for all participants with exceeding them for hard to serve populations, such as the target population. The Senate Amendment, but not the House Bill, lists the standards separately and specifically defines hard to serve in Section 4 of the Senate Amendment.

The House recedes.

56. The Senate Amendment, but not the House Bill, provides incentive grants for serving more than the minimum percentage of out of school youth.

The House recedes.

57. The House Bill, but not the Senate Amendment, provides incentive grants for placing participants in employment which "includes employer-assisted employment benefits, including health benefits. . . ."

The Senate recedes.

58. Performance Standards. The House Bill, but not the Senate Amendment, limits the incentive grants awarded on additional state standards (under subsection (e) of the House Bill) to hard to serve populations.

The House recedes.

59. The Senate Amendment, but not the House Bill, directs the Secretary to make appropriate allowance for the cost differences resulting from serving workers receiving needs-related payments under section 314(e), which is similar to current law.

The House recedes.

60. The House Bill, but not the Senate Amendment, requires the Governor to report in the Governor's coordination and special services plan any state variations of performance standards.

The Senate recedes.

61. Performance Standards. The House Bill directs the Secretary to prescribe "variations" in performance standards, while the Senate Amendment directs the Secretary to prescribe "adjustments."

The Senate Amendment, but not the House Bill, includes displaced homemakers in the list of special populations.

The Senate recedes on both parts. In choosing the term "variations" rather than "adjustments", the Conferees are retaining current law.

62. Performance Standards. The House Bill refers to the Secretary accepting the Governor's plan, while the Senate Amendment refers to the Secretary's approval of the Governor's plan. The Senate Amendment is more specific in instructing the Secretary to base determinations under subparagraph (B) of the Senate Amendment only on failure to implement such plan, and not on the plan itself.

The House recedes.

63. Performance Standards. The substance of the House Bill and Senate Amendment language on Secretarial Action (Section 106(i)(6) of the House Bill) is substantively the same, except that the House Bill only refers to the "revision" of a reorganization

plan, while the Senate Amendment refers to a rescission or revision of such plan. Also, the paragraph notations differ.

The House recedes.

64. Selection of Service Providers. The House Bill, but not the Senate Amendment, allows the Secretary of establish guidelines on the demonstrated performance of service providers.

The Senate recedes.

65. Selection of Service Providers. The House Bill refers to service provider compliance with procurement standards established by the Secretary, while the Senate Amendment refers to those established by the Governor.

The House recedes.

66. The House Bill refers to the cost limitations in this "section," while the Senate Amendment refers to this "subsection."

The House recedes.

67. Service delivery area transfer agreements. The Senate Amendment, but not the House Bill, creates a new section 109 on service delivery area transfer agreements. The Senate Amendment, but not the House Bill, requires that each service delivery area entering into transfer agreements be credited under the appropriate performance standards. The House Bill, but not the Senate Amendment, adds a similar provision in section 141(e)(2).

The Senate recedes.

68. Reallocation and reallotment. In addition to technical drafting differences, the House Bill, but not the Senate Amendment, excepts the funds set aside for older workers from this recapture section.

The House recedes with amendment to exempt the older worker state set-aside from the general title II reallocation provision.

69. The House Bill, but not the Senate Amendment, directs the Secretary to establish the unemployment and poverty rates at which service delivery areas are determined to be eligible.

The House recedes.

70. Governor's coordination and special services plan. The Senate Amendment, but not the House Bill, amends paragraph (1) of section 121(b) of current law by requiring the Governor's plan to include coordinating criteria for older worker programs and programs under the National and Community Service Act.

The Senate recedes.

71. Governor's Plan. The House Bill requires a description in the Governor's plan of the education coordination activities in section 123. The Senate Amendment lists a description of section 123 initiatives as an optional item for inclusion in the plan as a new paragraph (12) in subsection (c) of the Senate Amendment.

The House recedes with an amendment that eliminates the language in section 121 requiring that a description of the education coordination activities required under section 123 be included in the Governor's plan. This is due to the fact that such a requirement is explicitly provided under section 123. (See also comment 81.)

72. The Senate Amendment, but not the House Bill, requires the Governor's plan to include a description of how the State will encourage services to older workers.

The Senate recedes.

73. Governor's Plan. The Senate Amendment lists the activities in section 123 and coordination activities with the National Community Service Act as optional items for inclusion in the Governor's plan. The House Bill only requires a description of section 123 activities in the preceding subsection (b).

The House recedes.

74. State Job Training Coordination Council. The House Bill includes older workers organizations in the SJTCC, while the Senate Amendment includes the National Community Service Act State Advisory Board.

The House recedes on older workers organizations. The Senate recedes on the National Community Services Act State Advisory Board.

75. Education Coordination and Grants. The Senate Amendment, but not the House Bill, specifies in paragraphs (1) and (2) of section 123(a) that funds are to be used to pay the "Federal share" of carrying out the projects under this part.

The House recedes.

The Conference agreement provides for an 8 percent State setaside for the education coordination and grants program. In the allocation of funds to "any State education agency" under Section 123 of the Act, Conferees intend that in most States, the State educational agency (as defined in Section 1471(23) of the Elementary Secondary Education Act of 1965) shall be the recipient of funds. However, in States where the State educational agency is not the agency primarily responsible for the State supervision of education programs under the Carl D. Perkins Vocational and Applied Technology Education Act and the Adult Education Act, the Governor may also allocate funds, as appropriate to the services to be provided, to the State agency primarily responsible for the supervision of such programs. In such cases, it is intended that those State education agencies be allowed to participate in the joint planning activities described in Section 123(c), as well as in the joint governing of the geographic distribution of funds for programs under their jurisdiction.

In clarifying the ability to allocate funds under Section 123 to more than one state education agency, the Conferees in no way intend to permit Governors to allocate funds to multiple State education agencies, except as cited above.

76. The House Bill, but not the Senate Amendment, prohibits the Governor from establishing any requirements on the distribution of funds in this subsection.

The Senate recedes with an amendment to prohibit the Governor from establishing any requirements governing the geographic distribution of funds, removing language that would have prohibited the Governor from establishing any requirements governing the distribution of funds.

77. School to Work Projects. The House Bill, but not the Senate Amendment, specifically mentions support of multiyear dropout prevention programs of demonstrated effectiveness as a way to increase the rate at which dropouts return to schooling.

The Senate recedes.

78. Education Coordination and Grants. The Senate Amendment, but not the House Bill, includes language on non-traditional em-

ployment for women that has recently become part of Public Law 102-235.

The House recedes.

79. The House Bill, but not the Senate Amendment, allows the State education agency to use funds under this subsection for State human resource investment councils that meet the requirements of sections 701 through 705 of the House Bill.

The Senate recedes.

80. The Senate Amendment, but not the House Bill, specifies that the Federal match shall be 50 percent. The House Bill, but not the Senate Amendment, requires a similar match in the succeeding subsection (b)(2) of the House Bill by stating that the State shall contribute "a total amount equal to the amount provided under this section." (The Senate Amendment also addresses the matching amount in the succeeding subsection (b)(2).)

The House recedes.

81. Education Coordination and Grants—Governor's Plan. The House Bill directs the State Educational Agency (SEA) to develop the description of the activities planned for section 123 to be included in the Governor's plans, while the Senate Amendment directs the Governor to develop a description of section 123 activities "in consultation" with the SEA.

The House recedes with an amendment requiring that the State education agency submit the program goals and a description of the services to implement them for inclusion in the Governor's coordination and special services plan. The amendment further requires that program goals be jointly developed by the State education agency and the Governor. However, under the amendment, the Governor may not impose any requirements on the geographic distribution of the 8 percent funds.

The Conferees and the Administration agree that residential programs, such as the High/Scope model, that are designed to increase the enrollment of disadvantaged youth in postsecondary education are an authorized use of title II funds and are an appropriate project for funding under section 123, which provides funds for "State Education Coordination and Grants".

82. Education Coordination—Governor's Plan. The Senate Amendment, but not the House Bill, includes the National and Community Service Act in the list of program linkages that are to be described in the Governor's plan for section 123 on school to work programs.

The House recedes.

83. Education Coordination—Governor's Plan. The Senate Amendment, but not the House Bill, includes the National Community Service Act in the list of program linkages to be described in the Governor's plan for section 123 on literacy and lifelong learning.

The House recedes.

84. Nontraditional Employment. The Senate Amendment, but not the House Bill, includes a paragraph on nontraditional employment for women recently passed into law (Public Law 102-235).

The House recedes.

85. General Program Requirements—Section 141. The House Bill, but not the Senate Amendment, amends section 141(c) of current

law to prohibit the use of funds for the relocation of any business establishment.

The Senate recedes with an amendment to strengthen the prohibition that exists in current law on the use of JTPA funds to induce, encourage, or assist relocations that result in the loss of employment at the original site. The Conference agreement requires the Secretary to investigate allegations that JTPA funds have been improperly used and to determine whether a violation has occurred. The agreement provides that where the Secretary has determined that a violation by a State, substate grantee, or SDA has occurred, such State, substate grantee or SDA must repay misspent funds to the U.S. Treasury. Further, it requires the Secretary to require those in violation to pay an additional amount equal to the amount of the misspent funds unless they demonstrate that they neither knew nor could have known that such funds were provided in violation. This additional sum shall be applied to the title III program.

86. Charging of Costs—Tuition. The House Bill, but not the Senate Amendment, includes a specific reference to the definitions of higher education and proprietary institutions. The Senate Amendment, but not the House Bill, includes a specific reference to postsecondary institutions.

The Senate recedes.

87. The House Bill provides an exception to the administration cost limitation only for community-based organizations, while the Senate Amendment provides a similar exception to any service provider, other than a State or local agency.

The Senate recedes with an amendment to add non-profits.

88. Charging of Costs. The Senate Amendment, but not the House Bill, requires that all service providers meeting the exception described in this subparagraph must nevertheless charge all expenditures to the appropriate cost category.

The House recedes with an amendment to limit the amount that may be charged to the administration category to a maximum of 25 percent of funds if the SDA is contracting with community-based organizations or non-profits under this exemption. The amendment requires the appropriate limit for the direct training category to be reduced by one-half of the percentage by which an SDA exceeds the administrative limit. The same one-half percentage reduction is applied to the supportive services/indirect training category as well.

89. Placements. The House Bill, but not the Senate Amendment, adds a new paragraph that placements shall, to the extent practicable, be in job areas related to training provided to the participant.

The Senate recedes.

90. Service Delivery Area Agreements. The House Bill adds a similar provision to one created in section 109 of the Senate Amendment, which allows service delivery areas to enter into transfer agreements approved by each private industry council and described in the job training plan.

The Senate recedes.

91. On-the-Job Training. The House Bill and Senate Amendment add new 6-month limitations to on-the-job training contracts. How-

ever, only the Senate Amendment allows an exception to exceed the 6 months, as long as the training is less than 500 hours. While both Bills refer to the Dictionary of Occupational Titles, there are technical drafting differences between the two.

The House recedes with an amendment to allow one alternative to the 6-month limit on payments for on-the-job training (OJT) that permits payments for up to 500 hours of on-the-job training.

92. On-the-Job Training. The House Bill, but not the Senate Amendment, adds language that prohibits on-the-job training contracts with employers who have a pattern of failing to provide previous on-the-job training participants long-term employment with employment benefits and wages and working conditions at the same level as other employees doing similar work.

The Senate recedes with an amendment to require that OJT may only be provided under the year-round out-of-school youth program if the OJT placement pays a wage that exceeds the average wage at placement under the adult progam in the local area, has career potential, and offers a formal program of structured training. In addition, if an OJT participant is a dropout, the participant must also, concurrently or sequentially, enroll in an education program leading to a diploma or its equivalent.

93. Program Income. The House Bill, but not the Senate Amendment, specifies that receipts from conferences shall be included as income subject to the requirements of the preceding paragraph (1) (section 141(m) of the House Bill).

The Senate recedes.

94. Program Income. A. The House Bill, but not the Senate Amendment, includes interest income (except as provided by the Cash Management Improvement Act) in its list of restricted types of program income.

The Senate recedes with an amendment to delete the reference to the Cash Management Improvement Act.

B. The House Bill requires "each entity" to maintain records on program income, while the Senate Amendment only requires "each public or private non-profit entity" to maintain such records, thereby excluding for-profit entities.

The Senate recedes.

95. Use of Funds Restrictions. The House Bill, but not the Senate Amendment, includes language prohibiting the use of funds for assisting relocations. Funds are also prohibited for employment generating activities, economic development activities, loans, capitalization of business, contract bidding resource centers, and other similar activities that do not result in the direct creation of jobs for Job Training Partnership Act participants. The House Bill also adds that no funds shall be used for foreign travel. The Senate Amendment has no comparable provisions.

The Senate recedes with an amendment. For amendment language on relocations, see comment 85. The Conference agreement places a total prohibition on the use of JTPA funds for economic development and employment generating activities. However, local service delivery areas can still perform job development activities under title II to place JTPA participants.

96. Labor Standards. The House Bill, but not the Senate Amendment, strengthens the prohibition on programs that would impair

existing contracts for services or collective bargaining agreements without the written concurrence of the employer and the labor organization, unless either party fails to respond to written notification requesting concurrence, within 30 days of receipt.

The Senate recedes with an amendment to make technical changes to the House Bill.

97. The House Bill, but not the Senate Amendment, corrects the references to the Fair Labor Standard Act as they apply to Puerto Rico, American Samoa and other territories, to apply the existing exception to the mandatory minimum wage requirement for all workers in the territories to the participants in the territories who are served in this program.

The Senate recedes.

98. Grievance Procedures. The House Bill, but not the Senate Amendment, adds language to prohibit the Secretary from delegating his or her authority to investigate an allegation or complaint of a recipient's failure to comply with the requirements of this Act.

The House recedes with an amendment to add at the end of Section 144 new provisions to clarify the grievances that may be submitted to the Secretary. The Conferees intend Section 144(e)(1) on binding grievance procedure to apply in circumstances where (1) a union and an employer have negotiated a procedure providing for binding resolution of grievances, (2) the union and the employer have agreed that grievances alleging violations of Section 143 are resolvable under that procedure, and (3) the person alleging a violation of Section 143 has access to the procedure. Where these conditions are met, the contractual grievance procedure may be used as an alternative to the procedures described in Section 144(d).

99. Arbitration. The Senate Amendment, but not the House Bill, adds a new subsection strengthening the grievance procedures for current workers displaced by Job Training Partnership Act participants. In this instance, if a decision is not reached on a grievance procedure within 60 days of its filing, then any party to the grievance may submit it to arbitration. Also, if a grievant receives an adverse decision, the party to the grievance may submit it to arbitration. Requirements of the arbitration proceeding are specified, including the requirement that the parties to the arbitration evenly divide the cost of the proceedings.

The House recedes with an amendment described in comment 98 above.

100. Advance Payments. A. The House Bill, but not the Senate Amendment, refers to substate areas in the list of entities that may provide advance payments to non-profit organizations. The Senate Amendment, but not the House Bill, includes the Secretary in its list of entities.

The Senate recedes on including substate areas in the list of entities that may make advance payments to non-profits. The House recedes on including the Secretary in the list.

B. The House Bill permits advance payments "provided" advance payments are based on financial need, while the Senate Amendment permits advance payments "except" that payments shall be based on financial need.

The Senate recedes.

101. Fiscal Control/Cost Principles. The House Bill, but not the Senate Amendment, requires the Secretary to prescribe regulations establishing uniform cost principles substantially equivalent to those generally applicable to other Federal grantees. The House Bill includes specific language on what these minimum standards should include.

The Senate recedes.

102. Procurement Standards. The House Bill, but not the Senate Amendment, requires the Secretary to "prescribe regulations establishing uniform procurement standards". In prescribing such regulations, the House Bill, but not the Senate Amendment, requires the Secretary to consult with the Inspector General and take into consideration the relevant circulars prescribed by the Office of Management and Budget.

The Senate Amendment, but not the House Bill, requires the governor to "prescribe and implement uniform procurement standards".

The House recedes with an amendment stating that the Governor shall prescribe and implement procurement standards in accordance with minimum procurement requirements established by the Secretary in regulations. In establishing these minimum requirements, the Secretary shall consult with the Inspector General of the Department of Labor and take into consideration relevant aspects of the circulars issued by the Director of the Office of Management and Budget.

103. The House Bill refers to a list of what such procurement standards shall include "at a minimum", while the Senate Amendment simply refers to a list of what such standards shall include.

The House recedes with an amendment (see comment 102)

104. Cost Reimbursable Procurement. The House Bill, but not the Senate Amendment, requires that procurement transactions between State or local governments and administrative entities for service delivery areas be conducted on a cost-reimbursable basis.

The Senate recedes.

105. Certification. The House Bill, but not the Senate Amendment, directs the Governor to "biennially" certify the implementation and monitoring of procurement standards. The Senate Amendment, but not the House Bill, refers to the Governor submitting procurement standards and annually certifying the monitoring and compliance of its procurement standards.

The Senate recedes.

106. Report to Congress. The House Bill, but not the Senate Amendment, refers to the Secretary submitting a report to Congress, while the Senate Amendment, but not the House Bill, refers to the Secretary, "in consultation with the Inspector General," submitting a report to the "appropriate committees" of the Congress.

The House recedes with an amendment to change the due date of the report from October 1, 1994 to October 1, 1995.

107. Biennial Review. The Senate Amendment, but not the House Bill, requires the Secretary to biennially review the procurement standards established by the Governor and to notify the Congress whether procurement requirements have been satisfied.

The Senate recedes.

108. Public Access to Records. The House Bill, but not the Senate Amendment, requires that recipient records be made available to the public upon request, unless the information pertains to trade secrets, is confidential, or is so personal that its release would be an invasion of privacy.

The Senate recedes.

109. The House Bill, but not the Senate Amendment, allows recipients to charge fees for processing such records requests.

The Senate recedes.

110. Advance Notice. The House Bill requires the Secretary, Inspector General, or Comptroller General to furnish advance notice "not less than 15 working days" prior to the adult, while the Senate Amendment requires the same notice to be furnished "not fewer than 14 days" in advance of the audit.

The House recedes.

111. Monitoring Agreements. When referring to each recipient of funds under this Act, the House Bill requires each recipient to monitor service provider performance in complying with "agreements" made pursuant to this Act, while the Senate Amendment refers to any "grants, contracts or other agreements" made under this Act.

The House recedes.

112. Report Information. While the House Bill and Senate Amendment refer to similar lists of specific requirements for the reports required in the previous subsection (c) of Section 165 of the House Bill, only the House Bill requires the reports to "include (but not be limited to) information in such form as to permit cross-tabulation" of such required information. The Senate Amendment refers to a list of what shall be included in the reports, but does not refer to cross-tabulation.

The House recedes.

113. Demographic Characteristics. The House Bill, but not the Senate Amendment, requires reports to include relevant demographics which include race "or" ethnicity, sex, "or" age. The Senate Amendment, but not the House Bill, requires that all race, ethnicity, sex, "and" age characteristics be included in such information.

The House recedes.

114. Quarterly Reports. The House Bill, but not the Senate Amendment, adds a new subsection requiring the Secretary to require quarterly financial reports, to show all program costs by cost category, to separately identify program income or profits, and to separately identify costs incurred (such as stand-in costs).

The Senate recedes with an amendment requiring substate grantees and service delivery areas to submit quarterly reports on program costs to the State and then requiring the State to submit a summary of the reports to the Secretary on a quarterly basis. The amendment further requires each State, substate grantee, and service delivery area to maintain records identifying program income or profits earned, including income or profits earned by subrecipients.

115. Section 167 Regulations. The House Bill, but not the Senate Amendment, requires the Secretary to issue final regulations im-

plementing section 167 within 90 days of enactment of this legislation.

The Senate recedes.

TITLE II—TRAINING SERVICES FOR THE DISADVANTAGED

116. Title II, part A—Adults. The House Bill changes the title of part A in current law to the "Adult Program", while the Senate Amendment changes the title of part A to the "Adult Opportunity Program."

The Senate recedes with an amendment to read "Adult Training Program".

117. State and Service Delivery Area Allotments. The House Bill, but not the Senate Amendment, reserves 81% of the remainder of funds (after deduction for the territories) for allotment to the States for allocation to service delivery areas within each State, as determined by formula. The House Bill, but not the Senate Amendment, allots the remaining 19% for State set-asides described in subsection (c) of section 202 of the House Bill.

The Senate Amendment, but not the House Bill, allots the remainder of funds (after deducting for the territories) to the States by formula in paragraph (B) of section 202(a)(2) of the Senate Amendment for allocation to service delivery areas (after deducting for State set-asides) within each State by an additional formula described in subsections (b) and (c).

The Senate recedes with an amendment to change the 81% reservation of funds to a 77% reservation and to change the 19% remainder to 23%.

118. Formula. The House Bill, but not the Senate Amendment, retains the formula factors in current law, but allots the amounts based upon service delivery area factors of unemployment and poverty instead of the State factors of unemployment and poverty. The Senate Amendment, but not the House Bill, retains the formula factors in current law, which remains based upon the State factors of unemployment and poverty.

As a result of this formula change, the House Bill, but not the Senate Amendment, compares each service delivery area's formula factors to all service delivery areas in the country, whereas, the Senate Amendment only compares each service delivery area's formula factors to all service delivery areas within the same State.

The Senate recedes with an amendment to make technical changes in the funding formula, converting it to a "bottom up" formula driven by the unemployment and poverty data of the 600-plus SDAs. Currently, the formula has a "top down" design driven by the unemployment and poverty data of the 50 States. The Conference agreement includes a one-time trigger provision that requires Title IIA and IIC funding to increase by $25 million before the formula change becomes effective. (See also Comments 127 and 170).

119. Limitations. The House Bill, but not the Senate Amendment, amends current law by requiring that no service delivery area be allotted less than 90% of its allotment percentage for the previous fiscal year. The Senate Amendment, but not the House Bill, contains a provision similar to current law requiring that no

State be allotted less than the allotment percentage for the previous fiscal year.

The Senate recedes.

120. Maximum Limits. The House Bill and the Senate Amendment both add a new stop-gain requirement of 130% for the formula. However, the House Bill, but not the Senate Amendment, puts the 130% cap on service delivery area funding. The Senate Amendment, but not the House Bill, puts the 130% cap on State funding.

The Senate recedes.

121. State Minimum. Both the House Bill and Senate Amendment require that no State receive less than ¼ of 1% of the total allotment, but the bills include technical drafting differences.

The Senate recedes.

122. Title IIA Allotment Percentage. Both the House Bill and Senate Amendment have requirements that the funds allotted to the new Part A adult program be the same allotment percentage as in the previous fiscal year for purposes of determining the hold-harmless and stop-gain.

The Senate recedes.

123. Definitions. The House Bill defines the age of economically disadvantaged "adults" as "22 or older", whereas the Senate Amendment defines the age of these same "individuals" as "22 through 72", only for the purposes of distributing funds, which does not affect the provision of services to those older than 72.

The House recedes.

124. Definitions. The House Bill, but not the Senate Amendment, in the definition of economically disadvantaged refers to "poverty income guidelines promulgated each year by the Secretary of Health and Human Services." In a similar reference, the Senate Amendment, but not the House Bill, refers to the "official poverty line as defined by the Office of Management and Budget" in accordance with the Budget Reconciliation Act of 1981.

The House recedes.

125. Exclusions. Both the House Bill and Senate Amendment exclude college students and Armed Forces members from the number of economically disadvantaged adults/individuals, but the bills have technical drafting differences.

The Senate recedes.

126. Excess Unemployment. Both the House Bill and the Senate Amendment define the excess number of unemployed as over 4.5% of the civilian labor force in the service delivery area; however, only the Senate Amendment requires the individuals to be age 22 through 72. Additionally, the Senate Amendment, but not the House Bill, includes the same definition for unemployed individuals within a "State", as well as in a service delivery area.

The Senate recedes on both the first sentence and the second sentence.

127. Allocation From States to Service Delivery Areas. The Senate Amendment, but not the House Bill, retains the formula in current law, which requires the Governors to allot funds to service delivery areas based upon the same factors used to allot funds to each State in Section 202(a)(2)(B) of the Senate Amendment.

The Senate recedes with an amendment described in comment 118.

128. State Set-Asides. A. The House Bill, but not the Senate Amendment, retains 19% of the funds available for allotment for the following purposes:

5% for administration, management, audits, and for activities under sections 121 and 122 of the House Bill;

6% for incentive grants authorized in section 106(b)(8) allotted in accordance with paragraphs (3) and (4) of this subsection, which allows the Governor to use some funds for capacity building; and

8% to carry out section 123.

The Senate recedes with an amendment on the 5 percent set-aside for administration. (See 128B for comment.)

On the 6 percent set-aside for incentive grants, the House recedes with an amendment to combine the 3 percent State set-aside for incentive grants and the 2 percent State set-aside for capacity building, both included in the Senate Amendment, into one 5 percent State set-aside for incentive grants, of which up to 33 percent may be used for capacity building and staff training (as well as coordination with the Capacity Building and Information and Dissemination Network; see comments 131, 178, and 230).

The House Bill and Senate Amendment contain identical language on the 8 percent set-aside for education coordination and grants; therefore, it is not necessary for the House or Senate to recede.

B. The Senate Amendment, but not the House Bill, requires the Governor to allocate 23% of the amounts allotted to each State for the following purposes:

5% for administration, management, auditing, and for activities under sections 121 and 122, which includes a small State minimum for administration of $500,000 (drawn from States receiving funds in excess of $500,000);

2% for technical assistance and capacity building (note: the House Bill creates a separately authorized national program for capacity building-related activities in title IV);

3% for incentive grants authorized in section 106(b)(8);

8% to carry out section 123; and

5% to carry out section 204(d) for older individuals.

The Senate recedes with an amendment on the Senate proposal for a 5% set-aside for administration, which included a small state minimum for administration of $500,000. The amendment reserves $1 million from the National Network and Replication program authorized in Sec. 453, for the purpose of providing grants (of up to $100,000 in any given year) from the Secretary to small states with administrative funds below $500,000. To obtain such a grant a state must demonstrate to the Secretary it is in need of additional assistance to fulfill the administrative requirements of this Act. The Conferees do not anticipate that small states with only one service delivery area (SDA) will be able to demonstrate the need for additional administrative assistance, and discourage such states from creating additional SDAs.

The House recedes with an amendment on the 3 percent set-aside for incentive grants and the 2 percent set-aside for capacity building (see 128A for comment).

The House recedes with an amendment on the 5 percent State set-aside for older workers. Under the amendment, the Older

Worker Program will continue to be a State set-aside—5 percent of the State's adult money. The Conference agreement requires that performance standards take into account the needs of older workers. The amendment also requires equitable geographic distribution of funds.

129. Set-Aside Formula Allotment. The House Bill, but not the Senate Amendment, allots the State set-aside funds based upon the relative amount of funds allocated to all service delivery areas within a State compared to all service delivery areas in all States.

The Senate recedes.

130. Incentive Grants. The House Bill, but not the Senate Amendment, requires that not less than ¾ of the funds distributed by the Governor for incentive grants be based on the extent to which a service delivery area exceeds the performance standard requirements described in Sec. 106(b)(8) of the House Bill.

The House recedes.

131. Incentive Grant for Capacity Building. The House Bill, but not the Senate Amendment, allows the Governor to use up to ⅓ of the State set-aside for incentive grants to be used for capacity building and technical assistance to service delivery areas and service providers. (The Senate Amendment, but not the House Bill, creates a separate 2% State set-aside for capacity building and technical assistance.

The Senate recedes with an amendment described in comment 128 and 230.

132. Eligibility. The House Bill, but not the Senate Amendment in Sec. 203(a) references the 10% window for non-economically disadvantaged individuals described in subsection (c); however, both bills provide for such a window.

The Senate recedes. (See also comments 136 and 183.)

133. Targeted Groups. The House Bill requires that not less than 60% of adult program participants under this part shall meet one additional barrier to employment, while the Senate Amendment requires that not less than 65% of program participants under this part shall meet one additional barrier to employment.

The House recedes. The Conferees adopt the Senate language that not less than 65 percent of adult program participants shall face at least one additional barrier to employment.

134. Employment Barriers. In the lists of additional barriers to employment, the House Bill includes a category of "recipients of cash welfare payments", while the Senate Amendment limits this category only to recipients of aid to families with dependent children (AFDC).

The Senate recedes with an amendment to mention specifically that recipients of funds under the Job Opportunities and Basic Skills Act are considered recipients of cash welfare payments.

135. Employment Barriers. A. While both the House Bill and Senate Amendment include the homeless in the lists of additional barriers, the Senate Amendment, but not the House Bill, specifically references the homeless as defined by the Mckinney Act.

The Senate recedes.

B. The Senate Amendment, but not the House Bill, includes individuals "who are unemployed for the previous 6 months or longer"

and those "who are limited-English proficient" in its list of additional barriers to employment.

The Senate recedes.

C. The Senate Amendment, but not the House Bill, includes individuals who are in a category designated and justified by the service delivery area, and approved by the Governor and the Secretary.

The House recedes with an amendment allowing service delivery areas to add one additional barrier to employment, if approved by their Governor, but this additional barrier cannot be unemployment or poor work history. The amendment deletes the provision requiring the Secretary's approval, but requires this request as approved by the Governor, to be included in the Governor's plan. (Also in comment 182.)

136. Non-Economically Disadvantaged. Both the House Bill and Senate Amendment provide a 10% "window" for serving the non-economically disadvantaged as long as such individuals experience another barrier to employment. Both the House Bill and Senate Amendment list the barriers described in the previous subsection or paragraph, in addition to other barriers described; however the House Bill, but not the Senate Amendment, lists those who have limited English language proficiency.

The House recedes. (See also comments 132 and 183.)

137. Older Worker Services. A. The House Bill, but not the Senate Amendment, requires service delivery areas to expend not less than 8% of funds for services to eligible individuals 55 years of age or older (the Senate Amendment describes its use of funds for State older worker programs in Sec. 204(d) of the Senate Amendment).

The House recedes with an amendment which requires that the 5 percent State set-aside for older workers provide services on an equitable geographic basis throughout the State taking into account the relative share of economically disadvantaged workers residing in each SDA.

B. The House Bill, but not the Senate Amendment, requires the Governor to recapture, reallot, or contract with a different service provider if he or she determines that a service delivery area obligated less than 8% of funds for older individuals.

The House recedes.

138. Older Americans Coordination. Both the House Bill and Senate Amendment require coordination of older worker services with the services provided under title V of the Older Americans Act; however, the House Bill makes this a requirement for the State job training coordinating council and the service delivery area, while the Senate Amendment makes this a requirement for the Governor.

The House recedes.

139. Service Provider Selection A. The House Bill requires the service delivery area to give priority to agencies or organizations with a demonstrated record of effectiveness in providing services to older individuals. The Senate Amendment makes the same requirement of the Governor, but not the service delivery area.

The House recedes.

B. The House Bill, but not the Senate Amendment, allows the service delivery areas within the State to combine funds to con-

tract with an area agency on aging or organizations of demonstrated effectiveness.

The House recedes.

140. Assessments. A. Both the House Bill and Senate Amendment require an objective assessment of the skill levels and service needs of each participant. The House Bill includes a list of skills, experiences, and support service needs, which must be reviewed for each participant, while the Senate Amendment only suggests the assessment include "such factors" similarly listed.

The Senate recedes.

B. The House Bill, but not the Senate Amendment, requires that the assessments comply with the requirements of section 167 on nondiscrimination.

The House recedes. Section 167 already applies to all provisions of the Act, including assessments.

141. Additional Required Services. The House Bill, but not the Senate Amendment, requires basic skills training, occupational training and supportive services to be provided either directly or through arrangement, where the assessment and service strategy indicate it is appropriate.

The Senate recedes with an amendment in Sections 204(c)(5) and 264(d)(6) to clarify that the Conferees do not intend that these requirements be construed to create any contractual rights or legal entitlement for participants. To clarify this intention, the Conference agreement modifies previous bill language stating that the service strategy is not to be considered a contract, to state that nothing in Section 204 is to be construed to provide a private right of action to participants to obtain services described in the assessment or service strategy or the services specified in Sections 204(a)(1)(D) and 264(b)(1)(D). (See also comments 18A and 147.)

142. Additional Requirements. Both the House Bill and the Senate Amendment require that each participant or applicant who meets the minimum income eligibility criteria be provided information on the full array of applicable or appropriate services available. The House Bill includes services available through the service delivery area or other service providers including, "but not limited to," those receiving funds under this Act, while the Senate Amendment lists the same group, but only includes providers receiving funds under this Act.

The Senate recedes.

143. Service Provider Referrals. Both the House Bill and Senate Amendment require that eligible applicants who do not meet the enrollment requirements of a service provider's program be referred to the service delivery area for further assessment and referral. The House Bill, but not the Senate Amendment, also requires that eligible applicants "who cannot be served" by a program be referred to the service delivery area.

The Senate recedes.

144. Authorized Services. The Senate Amendment, but not the House Bill, adds a clause in the subsection on authorized services to subject this subsection "to the limitations contained in subsection (c)" of Section 204 of the Senate Amendment.

The House recedes.

145. Training-Related Services. The Senate Amendment, but not the House Bill, includes language to assist women in obtaining non-traditional employment, which was also included in the recently passed non-traditional employment act (P.L. 102-235).

The House recedes.

146. Supportive Service. The House Bill, but not the Senate Amendment, cross references the definition of supportive services in its description of these services under this subsection (Section 204(b)(2) of the House Bill).

The Senate recedes.

147. Needs Based Payments. The House Bill, but not the Senate Amendment, refers to needs-based payments and financial assistance in its list of training related services. The Senate Amendment, but not the House Bill, refers to current law in listing needs-based payments "in accordance with a locally developed formula".

The Senate recedes. (See also comments 18A, 141, and 149.)

148. OJT Limits. The House Bill, but not the Senate Amendment, requires that the ratio of participants in on-the-job training in the public sector to those in such training in the private sector not exceed the ratio between civilian governmental employment and non-governmental employment in a service delivery area.

The House recedes.

149. Needs-Based Payments. Both the House Bill and Senate Amendment include similar language on needs-based payment restrictions, except that the House Bill adds "financial assistance" to this restriction, while the Senate Amendment duplicates the language in Section 204(b)(2)(I) of the Senate Amendment. Both the Senate Amendment and the House Bill refer to current law in listing needs-based payments "in accordance with a locally developed formula".

The Senate recedes.

150. Older Worker Programs. The Senate Amendment, but not the House Bill, authorizes the Governor to provide programs developed in conjunction with service delivery areas to encourage the employment of older individuals in private business.

The House recedes.

151. Older Workers. The Senate Amendment, but not the House Bill, requires the Governor, after consulting with the private industry councils and chief elected officials, to enter into agreements with prescribed agencies and organizations.

The House recedes with an amendment to require the Governor to enter into a contract with at least one entity included in the list of prescribed organizations and agencies, instead of with all the entities as required by the Senate Amendment. The amendment adds private industry councils to the list. The Conferees agrees that service delivery areas shall continue to be eligible service providers under the 5 percent Older Worker Set-aside program.

152. The Senate Amendment, but not the House Bill, requires the Governor to consider training programs in growth industries using technological skills.

The House recedes.

153. The Senate Amendment, but not the House Bill, restates the eligibility requirements for older individuals and provides for an exception for 10% of such individuals if they are not economically

disadvantaged, but face serious barriers to employment and are income eligible under title V of the Older Americans Act.

The House recedes.

154. Applicable Requirements. The Senate Amendment, but not the House Bill, includes a provision to give priority to this subsection's (Section 204(d) of the Senate Amendment) applicability in the event of a conflict with other subsections.

The Senate recedes.

155. Linkages. Aside from minor drafting differences, the House Bill and Senate Amendment are substantively the same on this page of the side-by-side.

The House recedes.

156. Linkages. A. The House Bill, but not the Senate Amendment, includes in its list of programs with which the service delivery area shall establish linkages, programs assisted under the U.S. Housing Act, the National Literacy Act, Head Start, and any other provision of this Act.

The Senate recedes.

B. The Senate Amendment, but not the House Bill, includes in its list of programs with which the service delivery area must establish linkages, programs assisted under title V of the Older Americans Act and chapter 2 of title II of the Trade Act of 1974.

The House recedes.

157. Other Linkages. The House Bill and Senate Amendment are substantively the same, except that only the Senate Amendment includes "literacy organizations" in its list of other programs with which to establish linkages.

The Senate recedes.

158. Transfer of Funds. Both the House Bill and Senate Amendment allow for a 10% transfer of funds between the Part A Adult Program and the Part C Youth Program; however the Senate Amendment also allows for a transfer to the Part B Summer Youth Program.

The Senate recedes with an amendment to include a transfer provision in title IIB to allow a 10 percent transfer of funds from title IIB to title IIC, including in 1992.

159. Studies. The Senate Amendment, but not the House Bill, requires the GAO to study the number of adults assisted under this part who remain employed for at least 9 months after receiving assistance.

The Senate recedes.

160. Summer Youth. The House Bill and Senate Amendment are substantively the same with minor drafting differences.

The House recedes.

161. Youth Funding Formula. Both the House Bill and Senate Amendment use the Part C Youth Program funding formula for the distribution of Summer Youth funds, but refer to different subsections in Part C. The Senate Amendment, but not the House Bill, cites the definition of economically disadvantaged in Part C.

The Senate recedes.

162. Use of Funds. The House Bill and Senate Amendment are substantively the same, except that only the Senate Amendment lists "Youth Corps Programs" as a use of funds.

The House recedes.

163. Basic and Remedial Education. The House Bill and Senate Amendment are substantively the same, except that only the House Bill refers to "training" in Section 253(b)(2), while only the Senate Amendment refers to "Youth Corps Programs" in the same paragraph under the Senate Amendment.

The Senate recedes on "training". The House recedes on "Youth Corps Programs".

164. Assessment. The House Bill requires summer youth assessments to include a review of supportive services, while the Senate Amendment lists supportive services as an optional review item.

The Senate recedes.

165. Followup Services. The House Bill requires followup services to be made available for participants for whom a service strategy is developed, while the Senate Amendment only requires followup services where the service strategy indicates it is appropriate.

The House recedes.

166. Concurrent Enrollment. The House Bill and Senate Amendment are substantively the same, except that they refer to different paragraph citations in Sec. 106 on performance standards.

The House recedes.

167. Transfers. The House Bill states that youth "do not need" to be terminated from participation in part B or part C in order to be enrolled in the other part, while the Senate Amendment states that the youth "are not required" to be terminated.

The House recedes.

168. Part C—Youth Program. Statement of Purpose. The Senate Amendment, but not the House Bill, states that one of the purposes of the Youth Opportunity Program is to enhance the "citizenship" skills of youth.

The House recedes.

169. State and Service Delivery Area Allotment. A. Both the House Bill and Senate Amendment use the same type of funding formula as described in the Part A—Adult Program. The Senate Amendment, but not the House Bill, specifically cites Sec. 202 (a) (2) and (3) for the formula allotment to the States and changes the definition of economically disadvantaged individuals to economically disadvantaged youth for this part.

The Senate recedes with an amendment to change "individuals" to "youth".

B. The House Bill, but not the Senate Amendment, reserves 81% of the remainder of funds (after deduction for the territories) for allotment to the States for allocation to service delivery areas within each State, as determined by formula. The House Bill, but not the Senate Amendment, allots the remaining 19% for State set-asides described in Section 272(c) of the House Bill.

The Senate recedes with an amendment to change the 81 percent reservation to 82 percent and to change the 19 percent remainder to 18 percent.

C. Allocation to Service Delivery Areas. The Senate Amendment, but not the House Bill, directs the Governor to allocate 82% of the allotment to each State based on the formula in Sec. 202(b) and to allocate 18% in accordance with subsection (c) of this section 262.

The Senate recedes.

170. Formula. The House Bill, but not the Senate Amendment, retains the formula factors in current law, but allots the amounts based upon service delivery area factors of unemployment and poverty for economically disadvantaged youth, instead of the State factors of unemployment and poverty. This formula is essentially the same as in part A, but targets economically disadvantaged youth instead of adults.

The Senate recedes with an amendment described in comment 118.

171. Limitations. The House Bill, but not the Senate Amendment, repeats the limitation provisions in the formula described in the Part A Adult Program. Comparable Senate Amendment provisions are also described in section 202(a) of the Senate Amendment, as referenced in section 262 (a) and (b).

The Senate recedes.

172. Definitions. The House Bill, but not the Senate Amendment, in the definition of economically disadvantaged refers to "poverty income guidelines promulgated each year by the Secretary of Health and Human Services." In a similar reference, the Senate Amendment, but not the House Bill, refers to the "official poverty line as defined by the Office of Management and Budget" in accordance with the Budget Reconciliation Act of 1981.

The House recedes.

173. The House Bill repeats the definition of "excess number" of unemployed first listed in section 202(b)(4)(c), while the Senate Amendment simply cross-references the definition listed in section 202(d)(1)(B).

The House recedes.

174. Exclusions. Both the House Bill and Senate Amendment exclude college students and Armed Forces members from the number of economically disadvantaged youth/individuals, but the bills have technical drafting differences.

The Senate recedes.

175. State Set-Asides. The House Bill repeats the description of State set-asides first listed in Sec. 202(c)(1) of the House Bill, whereas the Senate Amendment cross-references the State set-asides described in Sec. 202(c)(2).

The Senate recedes.

176. State Set-Aside Allotment. The House Bill repeats the language first described in Sec. 202(c)(2) of the House Bill, whereas the Senate Amendment crossreferences the State set-aside allotment described in Sec. 202(c)(2), as noted in comment 175.

The Senate recedes.

177. Incentive Allotment. The House Bill, but not the Senate Amendment, repeats the language first described in Sec. 202(c)(3) of the House Bill.

The House recedes.

178. Capacity Building. The House Bill, but not the Senate Amendment, repeats the language on capacity building first described in Sec. 202(c)(4) of the House Bill.

The House recedes with an amendment described in comment 128 and 230.

179. Youth Program. Eligibility for In-School Youth Services. The House Bill requires that "not less than 60 percent" of in-school par-

ticipants face additional barriers to employment, whereas the Senate Amendment requires that "not less than 70 percent" of in-school participants face such barriers.

The House recedes with an amendment to require that not less than 65 percent of the youths participating in the in-school program face at least one additional barrier to employment. The amendment also provides that youth determined to be eligible for a free meal under the National School Lunch Act during the most recent school year are eligible for services under title IIB summer program and title IIC youth program.

180. The Senate Amendment, but not the House Bill, includes in the list of individuals facing additional barriers to employment those who "exhibit a pattern of disruptive behavior or disciplinary problems", those who are "limited-English proficient", and those who face some other serious barrier to employment as determined by a service delivery area and approved by the Governor and the Secretary.

The House recedes with an amendment described in comment 135C.

181. Targeted Groups. The House Bill requires that "not less than 60 percent" of out-of-school participants face additional barriers to employment, whereas the Senate Amendment requires that "not less than 70 percent" of out-of-school participants face such barriers.

The House recedes with an amendment to require that not less than 65 percent of youths participating in the out-of-school program shall face at least one additional barrier to employment.

182. Out-of-School Youth. Eligibility for Services. The Senate Amendment, but not the House Bill, includes the list of individuals with additional barriers to employment those who are limited-English proficient and those who face some other serious barriers to employment as determined by a service delivery area and approved by the Governor and the Secretary.

The House recedes with an amendment described in comment 135C.

183. Exceptions. Both the House Bill and Senate Amendment allow not more than 10 percent of the youth served in this program to be non-economically disadvantaged if they meet other barriers to employment. The House Bill, however, specifies that the individuals excepted under the 10 percent window "may" be individuals who face other barriers to employment and that those barriers "need not be limited to" the ones specified in this subsection, while the Senate Amendment specifies that the individuals excepted under the 10 percent window "shall" be individuals who face other barriers to employment and that those barriers "may" be included in the ones specified under this subsection.

The House recedes. (See also comments 132 and 136.)

184. Ratio of Out-of-School to In-School Youth. The House Bill requires that 60 percent of the youth served in this program be out-of-school (with 2 exceptions described below), while the Senate Amendment requires that 50 percent of the youth served be out-of-school.

The House recedes with an amendment requiring that 50 percent of youth served be out-of-school youth under the year-round youth

program. The amendment retains the House provision permitting youth served in a schoolwide project to be excluded from the in-school count.

Schoolwide projects are authorized under Title II-C in order to target in-school youth in high poverty neighborhoods. SDAs are authorized to provide funds to establish these projects in high schools located in neighborhoods with over 30 percent poverty. This provision would target youth who are reading below grade level or face other barriers to employment, but it would not require each in-school youth served by this project to be income-certified.

High schools in these high poverty areas must demonstrate that 70 percent of their students have barriers to employment other than their poverty. As long as it can be determined that 70 percent of the student population have these barriers (for example, if 70 percent of a high school were determined to be reading one year below grade level), then the entire school may be served by a program, without each individual being either income-certified or assessed for a specific individual barrier.

In urban and rural areas with a high concentration of poverty, individual eligibility criteria for in-school youth may be unnecessary and potentially counterproductive. Numerous JTPA service providers have testified that the burden of documentation can discourage participation in JTPA programs. While the Conferees support the need to document poverty and certain barriers for eligibility purposes, they also recognize that, in extreme situations in areas of pervasive poverty, it is more important to target the severely disadvantaged in a manner which does not hinder participation. Also, only a limited number of schools will qualify under the strict criteria established in this legislation although, in some high schools in our country, virtually the entire school has been tested as reading below grade level.

The Conferees want to clarify that while individuals who do not meet the requirements of section 263(a)(2) may be eligible for schoolwide projects, it is also assumed that individuals who do meet the requirements in section 263(a)(2) may also be eligible for services under schoolwide projects.

The Conferees intend that students participating in an alternative school program funded in part or in whole by funds provided under the Job Training Partnership Act, who have been identified as drop-outs or who have been identified as habitually truant (as defined by State law), be considered out-of-school youth for purposes of this program.

186. Additional Barrier to Employment. The Senate Amendment, but not the House Bill, allows a service delivery area to add one category of youth who face an additional barrier to employment if the Governor and, in turn, the Secretary approve.

The House recedes with an amendment allowing service delivery areas to add one additional barrier to employment, if approved by their Governor, but this additional barrier cannot be unemployment or poor work history. The amendment deletes the provision requiring the Secretary's approval, but requires this request, as approved by the Governor, to be included in the Governor's plan.

187. Year-Round Youth Program Design. The House Bill requires the youth program under this Part C to be conducted and services

"made available during the year or on a multiyear basis as appropriate", while the Senate Amendment simply requires this Part C to be conducted "on a year-round basis".

The House recedes with an amendment. The programs under part C shall be conducted on a year-round basis and services shall be made available on a multi-year basis as appropriate.

188. Information Availability Requirements. The House Bill specifies that each participant be provided information on other service providers, "including, but not limited to," those receiving funds under this Act, while the Senate Amendment simply states "including".

The Senate recedes.

189. Referral Requirements. The House Bill refers to the "applicant" referral requirements, whereas the Senate Amendment refers to the "participant or applicant".

The House recedes.

190. Referral Requirements for Service Providers. Both the House Bill and the Senate Amendment require each service provider to refer each eligible applicant who does not meet enrollment requirements to the service delivery area for further assessment and possible referral; however, the House Bill, but not the Senate Amendment, makes the same broader requirement of service providers for eligible applicants "who cannot be served" by the provider's program.

The Senate recedes.

191. Authorized Services. In the list of authorized services for youth the House Bill specifies that services "may include, but need not be limited to" the subsequent list, while the Senate Amendment simply specifies that services "may include" the subsequent list.

The House recedes.

192. Direct Training Services. A. The Senate Amendment, but not the House Bill, adds "youth corps programs" to the list of other training or education services.

The House recedes.

B. Direct Training Services. The House Bill, but not the Senate Amendment, lists "preemployment and work maturity skills training" as an allowable direct training service.

The Senate recedes.

193. School Dropouts. A. The House Bill, but not the Senate Amendment, requires each service delivery area to make available, concurrently or sequentially, at least 2 or more options to enable a dropout under 18 to reenroll in some form of educational study or program (as specified in both bills).

B. The Senate Amendment, but not the House Bill, requires a dropout under the age of 18 to reenroll in some form of educational study or program (as specified in both bills) as a condition of participating in a program assisted under this part.

The Senate recedes on both parts with an amendment to require that an individual who is under the age of 18 and a dropout must enroll in and attend an alternative course of study approved by the local educational agency or enroll in and attend either school, an alternative high school, or a high school equivalency program. The

SDA must make at least two of these reenrollment options available to such individuals.

As a part of the requirement for an individual who is under the age of 18 and a dropout to return to school or to a high school equivalency program the Conferees have included an exception for "interim periods". This exception is intended to provide flexibility to the program and the participants particularly during the summer months, or during the periods between school terms or when a course of study or school program is not immediately available. The Conferees expect this interim period to be used only in limited situations and for limited periods of time.

194. Educational Linkages. The House Bill identifies a non-exhaustive series of program linkages, while the Senate Amendment's list in exclusive.

The Senate recedes.

195. Program Linkages. In the requirement for service delivery areas to link with other Federal programs only the House Bill lists the National Literacy Act, while only the Senate Amendment lists the National and Community Services Act.

The House recedes on the National Literacy Act. The Senate recedes on the National and Community Services Act.

TITLE III—EMPLOYMENT AND TRAINING ASSISTANCE FOR DISLOCATED WORKERS

196. Title III. A. The House Bill refers to "any other provisions in law" when describing whether an eligible dislocated worker is deemed to be in training, while the Senate Amendment refers specifically to the "Internal Revenue Code".

The House recedes. The Senate Amendment confirms the specific intent of this provision to clarify that participants in Title III training programs shall be considered to be in training with the approval of the state agency for purposes of the Internal Revenue Code, which precludes states from denying unemployment insurance because an individual is "in training with the approval of the state agency."

B. The House Bill, but not the Senate Amendment, retains "1991" in the demonstration program authorization.

The House recedes.

197. Unobligated Title III Funds. The House Bill, but not the Senate Amendment, amends the carryover provisions in Section 303 to base the funds recapture on "unobligated" funds, instead of "unexpended" funds as in current law.

The House recedes. The Conferees conclude, based on previous experience with federally funded job training programs which operated on the same basis as the House Bill, that the provision in the House Bill could undermine the effectiveness of the reallotment process.

198. Use of Funds. The House Bill amends current law to impose cost category limits only on Part A of title III, while the Senate Amendment retains the cost category limits on all of title III, "except for funds expended under section 326".

The Senate recedes with an amendment. The Conferees adopt the House Bill provision in recognition of the planning difficulties

substate grantees have had under current law. Under that provision, substate grantees will be required to comply with the cost category limits on a program year basis. Thus, the appropriate period for compliance with the cost category limits for a particular program year will be the period for which the funds allocated for such program year are available.

The Conferees amend the House Bill to make clear that for purposes of this section, the term "allocated" is intended to refer to the final allocation a substate grantee receives for a given program year, adjusted upwards or downwards as appropriate following any reallocation to or from such substate grantee for that program year.

Notably, the House Bill also imposes the cost category limits only on Part A of title III, while the Senate Amendment retains the cost category limits on all of title III, "except for funds expended under section 326." The Senate recedes with regard to this difference. The Conferees intend that funds expended under Part B of title III not be subject to such cost category limits.

199. Combining Funds. The House Bill, but not the Senate Amendment, allows substate grantees within a State to combine funds to serve dislocated workers from 2 or more substate areas.

The Senate recedes. This provision is intended to allow neighboring substate grantees to work together to serve dislocated workers in a more efficient and cooperative fashion.

TITLE IV—FEDERALLY ADMINISTERED PROGRAMS

200. Native American Programs. The Senate Amendment, but not the House Bill, amends current law on Native American programs to make services available to American Samoans residing in the United States.

The Senate recedes.

201. Native American Programs. The Senate Amendment, but not the House Bill, adds language to current law to permit organizations "and State agencies", as determined by the Secretary, to administer programs for Hawaiian Natives and American Samoans.

The Senate recedes.

202. Native American Programs A. Both the House Bill and the Senate Amendment add new language to current law on creating a single organizational unit for coordinating certain activities under this section. The House Bill adds this new language on the organizational unit by adding a new subsection (k) to section 401 of current law, whereas the Senate Amendment amends section 401(e) of current law.

The Senate recedes.

The Conference bill incorporates several provisions amending the Native American language in current law. These changes are intended to ensure that the special Native American programs directly address Native American needs and further the development of Native American communities in ways determined by Native American groups themselves.

B. The House Bill establishes as the unit's "primary" responsibility "the administration of all Native American programs", whereas

the Senate Amendment gives the unit "principal" responsibility for the "development, coordination, and oversight of all policies . . .".

The Senate recedes.

C. Additionally, the House Bill, but not the Senate Amendment, makes the organizational unit accountable for monitoring such programs and "making recommendations regarding the selection of all recipients of financial assistance".

The Senate recedes.

D. The House Bill makes the unit accountable (1) for the development of all policies and procedures "related to the implementation of such programs", and (2) for coordinating the development of policy and procedures "for all Native American employment and training programs within the Department", whereas the Senate Amendment makes the unit responsible for all policies "under which the Secretary regulates or influences the operation of Native American Indian programs under this section".

The Senate recedes.

E. The Senate Amendment, but not the House Bill, excludes audit, procurement, and debt collection policies from the purview of the organizational unit.

The Senate recedes.

203. A. The House Bill, but not the Senate Amendment, grants special consideration in the hiring and promotion of the unit's professional staff to individuals who have field experience in the daily operation of service and training programs for Native Americans.

The Senate recedes.

B. The House Bill requires the Secretary to take additional actions as may be necessary to promote the recruitment and promotion of Indians, Native Alaskans, and Native Hawaiians, whereas the Senate Amendment encourages "a special effort to recruit Indians, Alaska Natives, American Samoans, and Hawaiian Natives for employment".

The Senate recedes.

204. Clarification Amendments. The House Bill, but not the Senate Amendment, makes a clarification to Section 401(f) of current law and a conforming amendment to Section 401(j) of current law.

The House recedes.

205. Reservation of Funds. The House Bill, but not the Senate Amendment, makes a conforming amendment in the set-aside of funds for Indian programs and also adds that additional appropriations may be provided. The Senate Amendment, but not the House Bill, reserves from Title IV funds (other than part B) an amount not less than 3.5 percent of the total appropriated for parts A and C of Title II. (Current law provides for an amount equal to 3.3 percent of funds for this section.)

The House recedes with an amendment to change the 3.5 percent reservation to not less than 3.3 percent.

206. The Senate Amendment, but not the House Bill, amends Section 401(h) of current law to substitute "Advisory Council on Native American Indian Job Training Programs" for "representatives of Indians and other Native Americans" and to add language on Indians and American Samoans.

The Senate recedes.

207. Advisory Council. The House Bill creates a new subsection for advisory councils, while the Senate Amendment adds a new paragraph to subsection (h) of current law for advisory councils.

The Senate recedes.

208. Native American Programs.

A. The House Bill and Senate Amendment both create councils to evaluate and advise the Secretary on employment and training programs for Native Americans. The House Bill titles the council the "Native American Employment and Training Council", whereas the Senate Amendment title is the "Advisory Council on Native American Indian Job Training Programs".

The Senate recedes.

B. The House Bill requires the Council to have no fewer than 17 members, whereas the Senate Amendment requires not fewer than 15 members.

The Senate recedes.

C. The Senate Amendment, but not the House Bill, includes American Samoans in the population from which Council members shall be drawn and permits American Samoan organizations to nominate members.

The Senate recedes.

D. The House Bill requires the Council's membership to represent "all geographic areas of the United States with a substantial Indian, Native Alaskan, or Native Hawaiian population", whereas the Senate Amendment requires the membership to represent "diverse geographic areas".

The Senate recedes.

209. A. The House Bill requires the Council to include members of nonreservation Native American organizations "who are service providers under this Act", whereas the Senate Amendment does not stipulate that representatives from nonreservation Native American organizations should be service providers under this Act.

The Senate recedes.

B. The House Bill, but not the Senate Amendment, requires that a majority of the Council members shall have field experience in the daily operation of the program authorized under this section.

The Senate recedes.

C. The Senate Amendment, but not the House Bill, while encouraging American Samoan representation on the Council, does not allow an American Samoan to be elected Chair.

The Senate recedes.

210. The House Bill, but not the Senate Amendment, provides for the appointment of interim Council members, to be taken from the Native American Programs Advisory Committee, the members of which may also be appointed as members of the new Council.

The Senate recedes.

211. Council Membership. A. The House Bill requires the term of office for Council members to be 2 years, but requires one-half of the initial appointments to be for 1 year, whereas the Senate Amendment states each Council member "may" serve for a term of 2 years and "may" be reappointed.

The Senate recedes.

B. The House Bill, but not the Senate Amendment, lists procedures to be followed in the event of a vacancy.

The Senate recedes.

C. The House Bill, but not the Senate Amendment, establishes a deadline for the appointment of Council members.

The Senate recedes with an amendment to require that Council members be appointed by the beginning of program year 1993, not 1992 as in the House Bill.

212. The Senate Amendment, but not the House Bill, requires the Council to solicit the views of American Samoan groups on Native American employment and training programs.

The Senate recedes.

213. Native American Programs. A. The House Bill requires the Council to "advise and make recommendations" to the Secretary on the design and implementation of performance standards, whereas the Senate Amendment requires the Council to "advise" on the design of all aspects of performance standards.

The Senate recedes.

B. Both the House Bill and the Senate Amendment require the Council to advise the Secretary on services "obtained" by the Department; however, the House Bill, but not the Senate Amendment, also mentions services "to be obtained".

The Senate recedes.

C. The House Bill requires the Council's advice on "any services" authorized under section 401 of the House Bill, whereas the Senate Amendment requires advice on "services that involve the provision of technical assistance to, or evaluation of, the programs" authorized under this section.

The Senate recedes.

214. Effectiveness. The House Bill requires the Council to "evaluate" the effectiveness of Native American job training programs, whereas the Senate Amendment requires the Council to "assess" these programs.

The Senate recedes.

215. The House Bill requires the Council to advise the Secretary on individuals to be considered for the position of chief of the organizational unit, whereas the Senate Amendment specifies that the Council shall advise the Secretary on "the recruitment of, identification of, and selection criteria for, candidates" for the position of chief of the organizational unit.

The Senate recedes.

216. A. Both the House Bill and the Senate Amendment require the Council to submit a report to Congress; however, the House Bill, but not the Senate Amendment, also requires a report to be submitted to the Secretary.

The Senate recedes.

B. The House Bill requires a report to be submitted every other year, whereas the Senate Amendment requires a report to be submitted every year.

The Senate recedes.

C. Both the House Bill and the Senate Amendment require the Council to make recommendations for improving the "effectiveness" of Native American job training programs; however, the House Bill, but not the Senate Amendment, also requires recommendations for improving the "administration" of these programs.

The Senate recedes.

217. A. The House Bill states that Council members shall serve without compensation but may be reimbursed for their expenses, whereas the Senate Amendment states that the Secretary shall make available to the Council such sums as may be necessary to carry out the functions of the Council.

The Senate recedes.

B. The House Bill, but not the Senate Amendment, requires the Secretary to provide the Council with administrative support.

The Senate recedes.

218. The Senate Amendment, but not the House Bill, adds new language to Section 401 on competition for Section 401 grants.

The House recedes.

219. Migrant programs—Sec. 402. Both the House Bill and the Senate Amendment add new language on 2 year competitions for section 402 grantees; however, the House Bill, but not the Senate Amendment, specifies that procedures for awarding grants under this section shall be consistent with standard competitive procurement procedures.

The House recedes.

The Conferees are aware of the accomplishments of the Association of Farmworker Opportunity Programs (AFOP) and encourage the Department to continue their activities, including technical assistance and training for the Section 402 grantees in the areas of quality program enhancement and in database and other developments which can further improve the capabilities of grantees funded under section 402. The Conferees encourage the Department to utilize the Association in an advisory capacity.

The Conferees are aware that limitations on certain costs have been applied to the Native American and Migrant and Seasonal Farmworker programs, although they were not mandated for these nationally funded programs. For instance, the Conferees are aware that the Department has applied a 15% limitation on non-training related supportive services. As with performance standards, the Secretary is directed to prescribe adjustments in limitations on certain costs due to the unique needs of the Native American and Migrant and Seasonal Farmworker populations and the varying programs required to meet their special needs.

The Conferees recognize that Section 402 of JTPA is the main vehicle for public investments in migrant and seasonal farmworker employment, training, and supportive services. These investments assist farmworkers to obtain or retain stable employment both within and outside of agriculture and to provide assistance and related services that will stabilize and improve their agricultural employment situation. These programs target services to a particularly hard-to-serve and at-risk populations.

The Conferees recognize, as with the Native American JTPA programs, migrant and seasonal farmworker programs can benefit from centralized administration from the national level within the Department of Labor. The Conferees encourage the Department of Labor to provide a single office which focuses on the many different aspects of its dealing with grantees, including policy, performance, monitoring, administrative standards, and programs designed to meet farmworkers' unique needs. Furthermore, an office comprised of and headed by individuals with direct farmworker em-

ployment and training field experience, expertise with grantee operational methods necessary to administer such diverse programs, and a full understanding of and commitment to meeting the special and unusual needs of the migrant and seasonal farmworker community is encouraged. The Conferees plan to monitor the Department's progress toward this goal.

Section 402 grantees are currently designated every two years. The Conferees have included language intended to ensure that once a Section 402 grantee has performed successfully under the terms of an existing grant agreement and has met the performance criteria established by the Secretary, the Secretary may waive the requirement for competition for that grantee for the two succeeding years. The Conference bill includes language intended to ensure that the procedures used to award state Section 402 grants are consistent with the government's standard competitive procurement policies and that no entity competing for a grant be awarded points based on any non-competitive criterion. On those occasions where a grant designation is required during the two-year competitive grant period, an expedited process of competition, consistent with standard government procurement policies, should be conducted.

The employment of farmworkers on Christmas and other tree farms, forestry and other logging operations, fish farms and hatcheries, nurseries, and fruit and vegetable processing operations (both on and off farm sites) has significantly increased. The Conferees urge the Department to be responsive to these changes and to periodically modify and update the Section 402 regulations to recognize the changing nature of agricultural employment. The Conferees direct the Department of Labor to cooperate with the Department of Education on coordinating JTPA 402 projects with migrant programs administered by the Office of Migrant Education.

The Section 402 program was created to assist farmworkers who choose to remain in agricultural employment through activities that will assist in stabilizing their employment, improve their living and working conditions, as well as to help them enter employment outside of agriculture. The Conferees are aware that farmworkers, as an occupational group, are at high risk for exposure to toxic pesticides and for injury from other work related accidents. As an effort to stabilize farmworkers' employment in agriculture, the Conferees recognize the need for Section 402 programs to provide farmworkers with pesticide and other worker safety training as an employability enhancement activity.

220. Reservation of Funds. The House Bill, but not the Senate Amendment, makes a conforming amendment in the set-aside of funds for Migrant programs and also adds that additional appropriations may be provided. The Senate Amendment, but not the House Bill, reserves from Title IV funds (other than part B) an amount not less than 3.2% of the total appropriated for parts A and C of title II. (Current law provides for an amount "equal to 3.2% of funds for this section".)

The House recedes.

The Conference bill authorizes the Secretary to reserve from funds available for carrying out this title for any fiscal year, an amount not less than 3.2 percent of the total amount of funds ap-

propriated to carry out parts A and C of title II of this Act for such fiscal year.

221. Grant Procedures—Sec. 403. The House Bill, but not the Senate Amendment, adds a new section 403 on grant procedures and the charging of costs for Section 401 and 402 grants.

The Senate recedes.

The Conferees are aware that the Department of Labor has interpreted OMB Circular A-122 to prohibit grantees from using grant funds for legal, accounting or other consulting services relating to an audit after the grant officer issues a final determination. This precludes grantees from utilizing these resources for such services to resolve the audit matters during review of the grant officer's determination in hearings before an administrative law judge and during the final review of the matter by the Secretary. The Conferees are also aware that the Department of Health and Human Services, the largest grant making agency in the Federal government, has a different interpretation of OMB Circular A-122, which allows grant funds to be used for such services until a final determination is made by the Secretary.

The Department of Labor's interpretation of Circular A-122 has proven particularly burdensome for nonprofit and single-purpose organizations providing job training services to migrant and seasonal farmworkers under Section 402 of the Act. These grantees may have no private resources available to obtain assistance in resolving audit matters during the important administrative proceedings before the Department's administrative law judge and the Secretary. The Department of Labor is encouraged to review this matter, giving full consideration to the HHS interpretation. The Conferees encourage the Department to permit grantees to utilize grant funds for reasonable and necessary legal and accounting costs associated with audit resolutions in any Departmental proceedings.

222. Job Corps Eligibility. The House Bill, but not the Senate Amendment, makes individuals age 22 through 24 eligible for the Job Corps program, but limits their number to 20 percent of total enrollees.

The Senate recedes. Job Corps centers will not be required to enroll any individual older than 21, but will be permitted to do so by the Conference bill.

223. The House Bill, but not the Senate Amendment, clarifies current law so that Job Corps participants may concurrently or subsequently participate in Title II programs, and so that Title II participants may concurrently or subsequently participate in Job Corps.

The Senate recedes.

224. Job Corps. A. Nonresidential Participants. The House Bill and Senate Amendment both raise the cap on the number of nonresidential individuals who are allowed to participate to 20 percent of the total enrolled.

The House and Senate provisions are identical.

B. The House Bill, but not the Senate Amendment, specifies that of those individuals who are to be nonresidential participants, priority shall be given to eligible individuals who are single parents with dependent children.

The Senate recedes.

C. The House Bill specifies that the number of residential participants shall not be reduced below the program year 1991 level as a result of increasing the number of nonresidential participants, whereas the Senate Amendment specifies that the number of residential participants shall not fall below the program year 1989 level.

The Senate recedes.

225. The House Bill, but not the Senate Amendment, prohibits the Department of Labor from contracting with a nongovernmental entity to administer a Civilian Conservation Center of the Job Corps on public land.

The Senate recedes.

226. Job Corps/Child Care Services. The House Bill, but not the Senate Amendment, requires the Secretary, to the extent practicable, to provide child care services for Job Corps participants who need them to participate in the program.

The Senate recedes.

227. Job Corps Referrals. The House Bill, but not the Senate Amendment, requires Job Corps centers to provide counseling and referrals, to enrollees who have problems with alcohol or drug abuse.

The Senate recedes.

228. National Partnership and Special Training Programs. The Senate Amendment, but not the House Bill, amends Section 451 of current law authorizing the Secretary of Labor to establish a system of grants administered at the national level including partnership programs with national organizations having special expertise; programs that address industry-wide skills shortages, meet training needs best addressed on a multi-state basis, and increase competitiveness of the labor force; and programs that require technical expertise at the national level to serve individuals with special needs.

The House recedes.

229. Research, Demonstration, and Evaluation. The Senate Amendment, but not the House Bill, amends Section 452 of current law by adding to the list of authorized research topics: methods of addressing the needs of at-risk populations; information on immigration, international trade and competition, technological change, and labor shortages; and methods of easing individual transition into the workforce. The Senate Amendment further amends the pilot and demonstration program to improve effectiveness in meeting particular employment and training problems, and allows the Secretary to evaluate other federally-funded employment-related activities, as well as the impact of title II on welfare dependency.

The House recedes with an amendment stating that demonstration programs shall last for no longer than 7 years. The amendment also states that pilot programs must include an evaluation component.

230. Training and Information Programs. The Senate Amendment, but not the House Bill, amends current law to require the Secretary to: (1) develop curricula and provide training, technical assistance, staff development and other activities at the national, regional, state, and local levels; (2) prepare and disseminate train-

ing curricula and materials; and (3) disseminate innovative and successful models and materials.

The House recedes with an amendment to merge all the House and Senate language on capacity building, training networks, replication of successful programs, and information dissemination into a new section entitled "Capacity Building, Information Dissemination, and Replication Activities," which will replace Section 453 of current law.

The Capacity Building and Information and Dissemination Network shall provide training and technical assistance to enhance the expertise of employment and training professionals and to improve coordination of services. In pursuant of these goals, the Network shall, using primarily computer-based technologies, develop and disseminate staff training curricula and materials, and information on successful programs and training methods by crating a national database and communication system.

Coordination between the grant program established under the new Section 453 and the activities of the Network is required to the extent possible. Funds available for the grant program may not be used to duplicate the activities of the Network. Of the 7 percent of JTPA funds that are reserved for title IV programs, $15 million is authorized annually to carry out Section 453, after the set-asides for veterans and Indian and migrant programs are fulfilled (see comment 8). Up to 33 percent of the 5 percent State set-aside for incentive grants may also be used for similar capacity building activities (see comments 128, 131, and 178).

231. Redesignations. The Senate Amendment, but not the House Bill, eliminates Sections 454 through 456 and redesignates the old Section 457 as Section 454. The new heading for Section 454 reads—"Nontraditional Employment Demonstration Program" (P.L. 102-235).

The House recedes with an amendment to redesignate Section 457 as 456.

232. Secretary's Guidance. A. The House Bill and the Senate Amendment require that the Secretary provide guidance and technical assistance to States and service delivery areas to limit the burdens of documenting eligibility of participants under title II. However, the House Bill does this by amending Section 455 of current law, whereas the Senate Amendment provision are only for purposes of this Act.

The Senate recedes.

B. The House Bill refers to documentation for participants under parts A, B, and C of title II, whereas the Senate Amendment refers only to parts A and C of title II.

The Senate recedes.

C. The House bill, but not the Senate Amendment, focuses the new documentation requirements on participants described in Sections 203(a) and 273 (b) and (d) of the House Bill.

The Senate recedes with a technical amendment to redesignate Section 273 as Section 263.

D. The House Bill, but not the Senate Amendment, further specifies that the documentation shall, to the extent practicable, be uniform and standard.

The Senate recedes.

E. The House Bill, but not the Senate Amendment, specifically requires certain subjects to be addressed in the guidance.

The Senate recedes.

F. The House Bill requires the guidance to be provided no later than July 1, 1992, whereas the Senate Amendment requires the guidance to be provided no later than December 1, 1992. Also, the Senate Amendment, but not the House Bill, specifically states that the Secretary shall provide the guidance.

The House recedes with an amendment to change the due date of the guidance from December 1, 1992 to December 18, 1992.

233. Uniform Reporting Requirements. The House Bill, but not the Senate Amendment, amends Part D of Title IV by adding a new Section 456 requiring the Secretary of Labor, with the Secretaries of Education and Health and Human Services, to identify common data elements and definitions for federal employment and training programs. Report due to Congress, January 1, 1994.

The Senate recedes.

234. Training Network. The House Bill, but not the Senate Amendment, requires the Secretary to establish a National Capacity Building and Information and Dissemination Network to strengthen and improve effectiveness of services provided at the Federal, State, and local levels.

The Senate recedes with an amendment to merge the House language on Training Network into a new section entitled "Capacity Building, Information Dissemination, and Replication Activities," which will replace Section 453 of current law (see comment 230 for a summary of the newly amended Section 453).

235. Cooperative Labor Market Information.

A. Both the House Bill and the Senate Amendment amend Part E, Section 462 of title IV, Labor Market Information, regarding the development of a national, longitudinal database utilizing unemployment insurance wage records.

The Senate Amendment permits, but does not require, the Secretary of Labor to study the feasibility of making accessible nationwide information on quarterly earnings on all individuals for which such information is collected by States.

The House Bill, but not the Senate Amendment, *requires* the Bureau of Labor Statistics to determine the feasibility of organizing and making accessible nationwide information on quarterly earnings, establishment and industry affiliation, and geographic location of employment for all individuals for which such information is collected by States, and/or to demonstrate applications of such information.

The Senate recedes with an amendment to delete the paragraph on the Bureau of Labor Statistics engaging in research on employment data for each individual for whom such information is collected by the States. The amendment requires the Commissioner and States to build upon research conducted by the National Commission for Employment Policy and others to determine the procedures necessary to establish and maintain a longitudinal database using unemployment wage records and to develop a means to make this information available on a nationwide basis. The Conferees have included this amendment in recognition of the work of the NCEP that demonstrated the potential cost savings of using the un-

employment insurance wage records. The Conferees agree to require the Secretary to report to Congress on the feasibility of establishing such a database.

B. The House Bill, but not the Senate Amendment, requires the Bureau of Labor Statistics to work with States to establish procedures to collect, maintain, and make available the information described above.

The Senate recedes with an amendment described in 235A.

C. The House Bill, but not the Senate Amendment, requires the Secretary to submit a report on the database "12 months after the enactment of this bill".

The Senate recedes.

D. The House Bill, but not the Senate Amendment, specifies that the report to Congress shall describe savings on program followup surveys.

The Senate recedes.

E. The House Bill, but not the Senate Amendment, requires the report to describe "the steps that have been taken and the schedule for any remaining steps necessary to implement the provisions of this section".

The Senate recedes.

F. The Senate Amendment, but not the House Bill, requires the report to "address the feasibility of establishing appropriate safeguards for maintaining the confidentiality of information and privacy of individuals".

The Senate recedes.

236. Federal Responsibilities. The House Bill, but not the Senate Amendment, adds a new subsection to Section 463 requiring the Secretary, through the National Occupational Information Coordinating Committee (NOICC), to report to Congress within 24 months of enactment of this Act, listing recommended common data elements, an analysis of benefits, and a plan for developing and maintaining this common core of data.

The Senate recedes with an amendment to delete Section 463(d) of the House Bill.

237. National Occupational Information Coordinating Committee (NOICC). A. The House Bill increases the authorization for NOICC from not more than $5 million to "not less than $6 million", while the Senate Amendment simply increases the authorization to $6 million.

The House recedes.

B. The House Bill, but not the Senate Amendment, adds to the responsibilities of the Committee by placing emphasis on career development and by requiring that the Committee conduct research and demonstrations to improve coordination and compatibility of human resources data systems (including systems to assist in economic development efforts).

The Senate recedes.

238. Replication of Successful Programs. The Senate Amendment, but not the House Bill, creates a new Part H in title IV authorizing the Secretary to make grants to public or private nonprofit organizations to provide technical assistance to States and service delivery areas for costs associated with development and op-

eration of model programs that are likely to improve the employment prospects of economically disadvantaged youth and adults.

The House recedes with an amendment to merge the Senate language on Replication of Successful Programs into a new section entitled "Capacity Building, Information, Dissemination, and Replication Activities," which will replace section 453 of current law (see comment 230 for a summary of the newly amended section 453).

239. Youth Opportunities Unlimited Program. Title. Both the House Bill and Senate Amendment establish a new program under title IV to serve youth in high poverty areas. However, in the House Bill, the title for this program is the Youth Opportunities Unlimited Program. In the Senate Amendment, the title is the "Fair Chance Youth Opportunities Unlimited Program."

The House recedes with an amendment to change the title to the Youth Fair Chance Program.

240. Program Authorization.

A. The Senate Amendment, but not the House Bill, refers to the grants awarded to service delivery areas "on behalf of participating communities."

The House recedes.

B. The House Bill, but not the Senate Amendment, makes grantees under the Migrant and Seasonal Farmworker Program eligible as grantees under the Youth Opportunities Unlimited Program, where the target area is located in a migrant or seasonal worker community.

The Senate recedes.

The provisions enabling tribal governments and Native Alaskan groups to apply for Youth Fair Chance grants are intended to apply to all tribal governments within Oklahoma regardless of the status of their land.

241. Grant Limits. A. The House Bill limits the number of grants that may be made during the first fiscal year of program authorization, whereas the Senate Amendment limits the number of grants over a five-year period.

The Senate recedes.

B. The House Bill limits the number of grants in the first fiscal year to not more than 50, whereas the Senate Amendment limits the number of grants in the first fiscal year to not more than 25.

The House recedes.

C. The Senate Amendment, but not the House Bill, limits the number of grants in the first five fiscal years to not more than 40.

The Senate recedes.

242. Indian Grants. The Senate Amendment, but not the House Bill, requires that at least one, and not more than three, grant(s) be made available to grantees designated under section 401 representing Native American Indian reservations and Alaska Native villages.

The House recedes with an amendment to add "or section 402 migrant programs".

243. Grant Extension. The Senate Amendment, but not the House Bill, permits the Secretary to extend the renewal period for an additional 2 fiscal years on reapplication.

The House recedes.

244. Award Criteria. The House Bill, but not the Senate Amendment, requires that the extent to which other Federal and non-Federal funds are available for similar purposes, and new State, local, or private resources are available, shall be considered by the Secretary in awarding grants.

The Senate recedes.

245. Award Priority. The House Bill gives priority in granting awards to "target areas" with the highest poverty rates, whereas the Senate Amendment gives priority to "participating communities" with the highest poverty rates.

The House recedes.

246. Application. The Senate Amendment, but not the House Bill, requires the Secretary to use the latest census estimates in determining communities with the highest level of poverty.

The House recedes.

247. Measurable Goals. Both the House Bill and Senate Amendment set the goal of increasing the proportion of youth having positive outcomes, but differ as follows:

A. Both set the goal of increasing the proportion of youth completing high school, but the House Bill, and not the Senate Amendment, also includes completion of the high school equivalent.

The Senate recedes.

B. The House Bill, sets the goal of entering into post-secondary institutions, apprenticeships, or other advanced training programs, while the Senate Amendment sets the goal of entering into community colleges or other advanced training programs.

The Senate recedes.

248. Application. The House Bill, but not the Senate Amendment, includes as a possible program goal increasing the proportion of youth participating in education, training, and employment services.

The Senate recedes.

249. Application. A. The House Bill, but not the Senate Amendment, requires each grant application to describe support services necessary for successful participation by youths.

The Senate recedes.

B. The House Bill, but not the Senate Amendment, requires each grant application to describe a system of common intake, individualized assessment, and case management.

The Senate recedes with an amendment to add "procedures or sites" after the term "common intake".

250. Application Requirements. The Senate Amendment, but not the House Bill, requires each grant application to demonstrate how the participating community will make use of the resources, expertise, and commitment of the various service providers of related programs.

The House recedes.

251. Application Requirements. The Senate Amendment, but not the House Bill, requires each grant application to include an estimate of the funds needed to serve all youth in the target area seeking appropriate education, training, and support services.

The House recedes.

252. Application Requirements. A. The House Bill requires each grant application to provide evidence of support from the local

school system, whereas the Senate Amendment requires such evidence from the local school board.

The Senate recedes.

B. The House Bill, but not the Senate Amendment, requires each grant application to provide evidence of support from postsecondary education and training institutions.

The Senate recedes.

253. Applications Submission. Both the House Bill and the Senate Amendment allow the Mayor of a city to submit an application under this program. However, the House bill, but not the Senate Amendment, would also allow a chief elected official to submit such application.

The Senate recedes.

254. Application Submission. The House Bill, but not the Senate Amendment, permits the chief elected official of a nonmetropolitan county or the designated chief official of contiguous nonmetropolitan counties to submit a grant application after review by the governor, whereas the Senate Amendment permits only the governor to submit an application on behalf of contiguous nonmetropolitan counties.

The Senate recedes.

255. Application Submission. A. The House Bill, but not the Senate Amendment, permits immigrant and seasonal farmworker communities to apply for a grant.

The Senate recedes.

B. The House Bill, but not the Senate Amendment, permits joint grant applications to be submitted by the 401 or 402 grantee and the governor or by the grantee and the State.

The Senate recedes.

256. Grant Agreement. The House Bill, but not the Senate Amendment, permits the population of a target area to exceed 25,000 in the event that the population of an area from which a high school draws a substantial portion of its enrollment exceeds the 25,000 limit.

The Senate recedes with an amendment to expand the target area to a population of 50,000 where appropriate.

257. Grant Agreement. The Senate Amendment, but not the House Bill, mentions initiatives, "such as youth corps programs".

The House recedes.

258. Grant Agreement. A. The Senate Amendment, but not the House Bill, requires each grant agreement to provide that only youth who live in the target area shall be eligible to participate in the program.

The Senate recedes.

B. The House Bill, but not the Senate Amendment, requires that participants be age 14 through 21 at the time of enrollment. The Senate Amendment requires participants to be age 14 through 21 in order to participate.

The Senate recedes.

259. Grant Agreement. The House Bill, but not the Senate Amendment, requires the grant agreement to include assurances that the participating community will undertake outreach and recruitment efforts to reach underserved, disadvantaged youth.

The Senate recedes.

260. Grant Agreement. A. Both the House Bill and the Senate Amendment require that YOU funds be used to pay the Federal share of costs of the program and to supplement, not supplant, funding from other sources available to youth in the target area. The House Bill, but not the Senate Amendment, also stipulates that these funds not supplant funding available to youth during the previous year.

The Senate recedes.

B. The House bill, but not the Senate Amendment, stipulates that the grant agreement shall not permit funds to be used for paid work experience unless such programs are combined with other education and training activities.

The Senate recedes.

261. Job guarantees. The House Bill, but not the Senate Amendment, establishes a job guarantee program for students who meet school attendance and performance standards.

The Senate recedes with an amendment requiring the Secretary to permit a "reasonable" number, rather than a "significant" number as in the House Bill, of grantees to participate in a job guarantee program for certain youths. The Conferees intend for the Secretary to devote sufficient funds to the job guarantee program to permit a reasonable number of such programs to be created. The amendment "permits", rather than "requires" as in the House Bill, the Secretary to use poverty as a criterion for selecting grantees.

262. Payments; Federal Share. The House Bill specifies that the size of the grant award shall be based on the size of the target area and the extent of the poverty in such area, and shall be of sufficient size and scope to carry out an effective program, whereas the Senate Amendment simply states that the Secretary shall pay the Federal share of the costs of the activities described in the application.

The Senate recedes.

263. Payments; Federal Share. The House Bill, but not the Senate Amendment, sets the Federal share of program costs at 100 percent for Native American or migrant and seasonal worker programs.

The Senate recedes.

264. Payments; Federal Share. Both the House Bill and the Senate Amendment allow for a portion of the matching requirement for this program to be obtained from Federal funds other than those provided for under the YOU program; however, they differ on the percentage allowed. The Senate Amendment allows 50% of the required match to come from Federal sources other than those in the YOU program, while the House Bill allows 35% of the match to come from other Federal sources.

The House recedes with an amendment to require not less than 70 percent of funds to come from the Federal share. Of the remaining 30 percent of funds, not more than 20 percent may come from other Federal programs and not less than 10 percent may come from non-Federal funds, in-kind contributions, on a combination thereof.

265. Federal Responsibilities. The Senate Amendment, but not the House Bill, requires the Secretary to assess the feasibility of ex-

tending guaranteed access to comprehensive education, training, and support services for youth in all areas of the United States.

The House recedes.

266. Reporting Requirements. A. The Senate Amendment sets a deadline for submission of a report on this youth program, specifies that the report should be submitted to the appropriate Committees of Congress, and lists specific information that should be included in the report, while the House Bill simply requires the Secretary to prepare a report on the requirements of the previous subsection.

The House recedes with an amendment to change the due date from December 31, 1994 to December 31, 1996.

B. The House Bill allows the Secretary to reserve 5 percent of YOU funds in each fiscal year, whereas the Senate Amendment allows the Secretary to reserve up to 10 percent of YOU funds for carrying out the Federal responsibilities of the program.

The Senate recedes.

267. Definitions. A. "Participating Community." The House Bill, but not the Senate Amendment, includes in the definition of "participating community," a non-metropolitan county, a section 402 grantee, or a consortium of the State and section 402 grantee, when referring to migrant and seasonal worker areas.

The Senate recedes.

B. Poverty Area. The House Bill requires the Secretary to determine high poverty areas based on Census Bureau estimates, whereas the Senate Amendment omits reference to the Secretary and requires poverty areas to be determined directly by Census Bureau estimates.

The House recedes.

C. The House Bill, but not the Senate Amendment, includes automatically in its definition of high poverty area, a migrant or seasonal farmworker community or a unit of a general local government that has over 30% of its population receiving food stamps.

The House recedes.

268. Microenterprise Grants. The House Bill, but not the Senate Amendment, establishes a program of technical assistance, training, and counseling to assist persons whose income does not exceed 100% of the official poverty threshold to develop a commercial enterprise employing 5 or fewer employees, including the owner. Under this program, the Secretary is authorized to make grants of not more than $500,000 per year to not more than 10 states per year to implement and enhance community-based microenterprise activities. A 100% State match is required.

The Senate recedes with a technical amendment to conform the poverty definition to the definition of economically disadvantaged in JTPA. The provisions enabling tribal governments and Native Alaskan groups to apply for Microenterprise Grants are intended to apply to all tribal governments within Oklahoma regardless of the status of their land.

269. Disaster Relief Employment Assistance. The House Bill, but not the Senate Amendment, adds a new part J to title IV, creating a new, permanent authority of $15 million per year, to fund public service employment for disaster relief as defined in the Disaster Relief Act of 1974. Eligible participants include those eligible for title III of this Act, or those unemployed as a result of the disaster.

The Senate recedes. The provisions enabling tribal governments and Native Alaskan groups to apply for disaster relief employment assistance are intended to apply to all tribal government within Oklahoma regardless of the status of their land.

TITLE V—JOBS FOR EMPLOYABLE DEPENDENT INDIVIDUALS INCENTIVE BONUS PROGRAM

270. Jobs for Employable Dependent Individuals (JEDI). The Senate Amendment, but not the House Bill, amends and restructures title V of the Act by providing for the payment of incentive bonuses to each state for providing job training and placement to absent parents of children receiving Aid to Families with Dependent Children (AFDC), and to blind and disabled individuals receiving supplemental security income (SSI). The amount of the bonus paid to each state is based upon: (1) the amount of child support paid by each individual for up to 2 years after program termination; and (2) the reduction in federal contribution to the amounts eligible individuals receive under title XVI of the Social Security Act for up to 2 years after program termination.

The House recedes with an amendment to limit administrative costs for States to only 5 percent of funds. The amendment also requires that unused appropriations revert back to part A of the title II program. The amendment authorizes appropriations for the JEDI program through fiscal year 1996. The conference agreement includes the re-write of the JEDI program as found in the Senate Amendment, including the removal of the funding trigger.

TITLE VI—STATE HUMAN RESOURCE INVESTMENT COUNCIL

271. State Human Resource Investment Council. The House Bill, but not the Senate Amendment, establishes a new Title VII, allowing states to voluntarily establish a State Human Resource Investment Council to review the use of funds and provision of services of applicable Federal human resource programs, advise the Governor on coordination of such programs; advise the Governor on development and implementation of State and local standards and performance measures and coordination of such standards for applicable programs; and carry out the duties and functions of the existing State Councils as established under the applicable Federal laws establishing the individual councils.

The Senate recedes with an amendment. The Conference agreement provides for the voluntary establishment of State Human Resource Investment Councils (HRIC) at the discretion of the Governor and with the agreement of State agency heads of applicable programs in each State. The purpose of the HRIC is to provide coordination for Federal human resource programs, to advise the Governor on human investment needs in the State, and to recommend ways to meet those needs, while maximizing the use of Federal funds and avoiding duplication of effort. The agreement requires that prior to including State Vocational Education Council activities under the jurisdiction of the HRIC, the Governor and the State educational agency must obtain the approval of the existing State Vocational Education Council. HRIC's may use funds available for other state councils and administrative funds otherwise

available under applicable Federal human resource programs. In the case of vocational education, no funds other than those appropriated specifically for the State Vocational Education Council may be used to fund the HRIC.

The Committee recognizes the valuable contribution made by State Councils on Vocational Education to the evaluation of the State's vocational education programs. Should a State Council on Vocational Education exercise its option of excluding the Carl D. Perkins Vocational and Applied Technology Education Act from the purview of the State Human Resource Investment Council, the State Council on Vocational Education will continue to operate and those State Council funds shall not be used to support the activities of the State Human Resource Investment Council.

If a State does eliminate the State Council on Vocational Education and use site funds for the activities of the State Human Resource Investment Council, the newly formed State Council must fulfill the duties and responsibilities of the State Council on Vocational Education as specified in Section 112 of the Carl D. Perkins Vocational and Applied Technology Education Act.

Nothing in these amendments should be construed to prohibit States that have already established human resource councils or "super" councils in compliance with current law from maintaining them. To achieve the economy and efficiency of the single council contemplated by these amendments, however, States must conform their councils to all of the new requirements.

272. HRIC Membership. The House Bill, but not the Senate Amendment, requires that HRICs voluntarily established under this Act consist of: not less than 30% representatives of business and industry; not less than 30% representatives of organized labor and community-based organizations; not more than 20% from the chief administrative officers of the State agencies responsible for applicable programs and from the State legislature and other State human resource agencies; and not less than 20% from representatives of local government, local education agencies, local welfare and public housing agencies, and individuals with expertise in education, career development and needs of special populations, and women and minority issues, including one representative of special education.

The Senate recedes with an amendment stating that business, labor, and education shall each constitute not less than 15 percent of the membership of the HRIC. Labor representation shall be chosen from individuals recommended by recognized State labor federations. At least one education representative must be from each of the following: local public education, a postsecondary institution, and a vocational education program. In addition, the head of each State agency or the designee of such State agency responsible for the administration of an applicable Federal human resource program must have a seat on the HRIC, as well as at least one representative of a community-based organization. Other entities or individuals that may be represented on the HRIC are local welfare agencies, public housing agencies, units of general local government or consortia of such units, the State Legislature, certain other State or local agencies that receive funding under an applicable Federal human resource program, and individuals who have exper-

tise in special education and the career development needs of targeted populations.

The Committee intends that membership of the HRIC broadly represent business, labor, and education and that the Governor select individuals qualified by expertise and special knowledge to serve on the HRIC. Because of the HRIC's emphasis on workforce development, special consideration should be given to selecting individuals representative of the vocational-technical education and job training systems within the state. Individuals with expertise in secondary, postsecondary and adult vocational-technical education, career guidance and counseling personnel, qualified individuals with respect to the needs of special populations, and members of vocational student organizations should be given particular consideration by the Governor for inclusion on the HRIC.

In addition, given the important functions served by the State Director of vocational education in each State, the State Director participation on the HRIC is encouraged. Improvements in coordination and program services in vocational education will be most effective if the State Director is a member of the HRIC.

273. Budget and Use of Funds. A. The House Bill, but not the Senate Amendment, requires the HRIC to prepare a budget for itself and submit it to the Governor for approval. B. The House Bill, but not the Senate Amendment, provides that states establishing State Human Resource Investment Councils may use funds otherwise available under applicable programs for State councils to carry out the functions of the HRIC.

The Senate recedes with an amendment to delete the provisions requiring a State Human Resource Investment Council to submit a budget to the Governor. The Conferees kept House Bill language permitting the HRIC to use funds set aside for State councils under applicable Federal human resource programs and added language to permit the regulated use of funds under such programs that are not specifically set aside for State councils. State Human Resource Investment Councils will also be permitted to use funds, services, personnel, and facilities provided by State and local public agencies with the consent of such agencies.

The Conferees want to make it clear that funds allotted to State Councils under the Carl D. Perkins Vocational and Applied Technology Education Act are the only funds from such Act to be used to support the activities of the State Human Resource Investment Councils. Other sources of funds for the activities of the HRIC must be agreed to by the administrative heads of the applicable federal programs with no one program contributing a disproportionate amount in relation to total federal spending on such programs. Each participating agency is encouraged to provide funds to support the HRIC in a manner consistent with its participation on the HRIC.

While no minimum and maximum levels of expenditures for State Human Resource Investment Councils are specified in title VI of the Conference bill, the Committee requires the Secretary to closely monitor and report annually to the appropriate Committees of Congress the amount of expenditures and sources of funding for the HRICs.

274. Definition. The House Bill, but not the Senate Amendment, defines any "applicable Federal human resource program" included under the State Human Resource Investment Council as any federally assisted human resource program included in an agreement reached by the State agencies responsible for administering the affected program.

The Senate recedes with an amendment stating that the Governor and the head of the State agency responsible for administering a Federal program must jointly agree that the Federal program qualifies as an applicable Federal human resource program under title VI of the Act in order for such program to be included within the jurisdiction of the HRIC except that the Governor and the State Educational Agency must obtain the approval of the existing State Vocational Council before including vocational education programs.

The Conferees intend that the HRICs will comply with the reporting requirements of the governing statutes of the applicable federal human resource programs represented on the HRIC.

TITLE VII—MISCELLANEOUS PROVISIONS

275. Conforming Amendments. The House Bill and the Senate Amendment have numerous technical differences between conforming amendments that will be addressed after the sections of the bills to which the conforming amendments pertain are reconciled.

The House recedes with an amendment to adjust the conforming amendments in accordance with the contents of the Conference bill.

276. Conforming Amendments. The House Bill, but not the Senate Amendment, repeals sections 161(c) and 181 of the Act.

The Senate recedes.

277. Technical Amendments. There are numerous differences between the House Bill and Senate Amendment technical changes to the table of contents, but differences in the technical amendments will be addressed after the sections to which the technical amendments pertain are reconciled.

The House recedes with an amendment to conform the technical changes to the contents of the Conference bill.

278. Effective Date. The House Bill establishes July 1, 1992, as the effective date of these amendments, whereas the Senate Amendment establishes December 1, 1992 as the effective date.

The House recedes with an amendment to change the effective date to July 1, 1993.

279. Performance Standards. A. The Senate Amendment specifically states that "the Secretary of Labor" shall issue revised performance standards, whereas the House Bill simply states that "performance standards shall be issued". B. The House Bill requires the performance standards to be issued no later than July 1, 1993, whereas the Senate Amendment requires the standards to be issued no later than July 1, 1994.

The House recedes on parts A and B.

280. The House Bill, but not the Senate Amendment, requires the Secretary to evaluate the impact of Title II programs as

amended by this bill on participant employment, earnings and welfare dependency.

The Senate recedes.

281. The House Bill permits the Secretary to establish rules and procedures to provide for an orderly transition to and implementation of the amendments made by this Act, whereas the Senate Amendment refers to an orderly transition to the amendments made by this title.

The Senate recedes.

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CARL C. PERKINS,
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JOHN W. OLVER,
BILL GOODLING,
STEVE GUNDERSON,
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PAUL SIMON,
ORRIN HATCH,
STROM THURMOND,
Managers on the Part of the Senate.